TAB

LEGALITY AND PROPRIETY

1. The legality and charter compatibility aspect of the survey addressed particularly those Office of Personnel activities that involve the creation and maintenance of files on American citizens, that involve American organizations and Americans who are not CIA employees in CIA activities, that involve personnel policies or actions that differ significantly from normal Federal Government practice, and that involve financial transactions. These activities are discussed under suitable headings in the following paragraphs.

Files on American Citizens

2. The Office of Personnel maintains files or records on Americans who are or have been employed by the Agency and on many applicants who are seeking or have sought such employment. These records fall within the four categories of such files for which the Director of Personnel is responsible. These file categories are numbered and described in the Federal Register of August 28, 1975. The Office of Personnel also maintains "soft" files on its own personnel, which are part of the CIA-26, DDA "soft" personnel records system.

3. Manpower Files. File CIA-29, Manpower Control System, includes various computer and hand-maintained

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compilations of data about CIA personnel. Retention of

these files is listed as permanent for currently operating

subsystems. The Federal Register indicates that a record

system, including disposal, will be implemented when the

system is fully operational. The Director of Personnel is

aware of this obligation. This system, designed to meet

internal management needs, presents no problems from a

legality or charter compatibility viewpoint.

4. Applicant Files. Retention of File CIA-30,

Applicant Files, is limited to two years in the case of

applicant files "placed in process for employment but

subsequently cancelled." The practices actually followed

vary, depending on the stage at which the application

becomes inactive. If a security investigation has been

requested, the Office of Security will retain information

on the applicant indefinitely in its security investigation

file. In such cases Office of Personnel files are destroyed

within the two year limit.* After such destruction the

Office of Personnel will also, in most cases, destroy the

file cards used to identify an applicant and locate his file.

File cards are retained by the Office of Personnel only on

those applicants who were "panel cases" or were rejected for

security or medical reasons.

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*At present, OP in response to Congressional requests, is
 destroying no files.

5. The retention policy for the CIA-30 file system includes a statement that "Files on applicants who may be of interest at a later date are retained indefinitely." In fact, essentially all applicant files reaching Headquarters which are not put in process are stored for three years under Office of Personnel auspices and then are microfilmed for indefinite retention, still under nominal Office of Personnel control, in an ISG/DDO microfilm copy file. This practice was initiated many years ago in response to a CI Staff requirement and, according to the General Counsel, is justified as needed to verify possible reports from outside sources of attempts to penetrate CIA.

6. The ISG/DDO applicant system is separate from other DDO-maintained files on personalities and individual files can be located only if the applicant's name is known. The number of files in this system is approaching [   ] 25X1 During most of the last half of 1975 about six queries a month were addressed to this system by various DDO Divisions. The records immediately available in ISG do not indicate either the reasons for the requests or the frequency with which the system was able to provide positive information in response to them. This rate doubled in December 1975. The reason for the increase is unknown, but the time of occurrence suggests it relates to Privacy Act searches. A memorandum from the Chief, Counterintelligence Staff, states that

". . .there has been a substantial increase in the use of these files in the past two years, although we are not aware whether this use has resulted in significant information being derived from the files."

7. The permanent retention of a very large number of applicant files is within the letter but not the implications of CIA's stated file retention practice. Public exposure of this practice (perhaps through FOIA or Privacy Act requests) could generate adverse reactions and perhaps challenge of the stated file retention policy. Although CIA must be prepared to risk adverse publicity if necessary to filfill the requirements of its mission, it is desirable that such risks be justified by the value of the potentially unpopular activity. The Inspector General will bring the risks of adverse publicity inherent in the ISG/DDO retention of applicant files to the attention of the DDO and request a more specific examination of the current usefulness of the practice. The Inspector General's recommendation concerning continuation or termination of the practice will be made after consideration of the DDO response.

8. Certain applicants who are unsuited for available staff employment vacancies have contacts or capabilities that could make them attractive prospects for employment by [   ] DDO in an agent or operational support role. Such applicants are often, but

25X1

not always, foreigners. It has long been the practice of Office of Personnel field recruiters to pass the names and available information on such applicants to field representatives of ☐ DDO after informing the applicant that he is unsuited for available positions in CIA. The applicant is not advised that he may be of operational interest and is usually unaware that interest in his application may continue.

9. Most of the applicant resumes passed to ☐ DDO field personnel prove not to be of operational interest and the records are destroyed in the field. In some cases, however, internal name traces are done in CIA and occasionally the name may be checked with other agencies through the FBI to look for criminal records or any other adverse information that might exist elsewhere in the government. ☐ ☐ may also solicit information from cleared contacts who know or can get to know the individual, if such contacts are available. If these inquiries support continued interest in the applicant, he will be observed and assessed and eventually may be given a recruiting pitch. If a U.S. citizen, the applicant will be told that the recruitment is by CIA, although the individual making the pitch may not use a true name.

10. Consultation with the Office of General Counsel indicates that the practice of using normal applicant files

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for operational targetting is proper for the Agency and
does not violate the Privacy Act. The practice does have
some potential for adverse publicity if a hostile
applicant becomes aware of continuing Agency activity in
his case after he has not been accepted for regular employ-
ment. It is unlikely, however, that a hostile applicant
will become aware of the continuing Agency interest.
Responses to Privacy Act requests by an applicant would
probably reveal no more than the fact that the Agency still
has his resume on file. Moreover, the careful assessment
made before a recruitment pitch is attempted should fore-
stall attempts to recruit potentially hostile applicants.
It, therefore, appears that this use of applicant files
can be continued as long as it is of value.

11. Many records on applicants received by field
recruiters are never furnished to Headquarters. These
records range from notes made by the recruiter during a
single telephone contact to almost complete sets of
application forms. They pertain to applicants rejected
by the recruiter and to applicants with desirable
qualifications who cancel their application or fail for
other reasons to complete the paperwork or testing required
for consideration by Headquarters components. Most
recruiters also maintain file cards on applicants they have
been concerned with. Except for the file cards, the

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recruiter-held records are destroyed, usually six months to a year after the application has become inactive. Practices on file card preparation, content and retention have varied widely among recruiters. A few retain the cards indefinitely while some do not prepare such cards at all. Recently the Office of Personnel has obtained copies of existing file cards for use in researching Privacy Act and FOIA requests in Headquarters. Policy is still being evolved in the Office with regard to whether or not future development and retention of such cards or other records is needed to respond to such requests.

12. In summary, no problems involving legality or propriety were found with the applicant files maintained by recruiters at their Field Offices. There may be a need to standardize somewhat the record-keeping practices of the several recruiters and a retention policy for file cards will also be needed. These problems are under active consideration in the Office of Personnel now.

13. There are some minor exceptions to normal Office of Personnel practices in dealing with applicant files. Certain applicants are "crank" cases in that they reapply very frequently, attempt repetitively to obtain employment by the use of outside pressures, or take other actions requiring fairly frequent reference to their file. Records on such applicants are maintained separately until it is

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clear that the files have become inactive.

14. A special applicant file exists in the
Qualifications Branch of the Office of Personnel. This
file, which contains only about 1600 names, resulted from
a short-lived attempt to code the records of rejected
applicants according to their skills for use if unantici-
pated needs for these skills develop. The coding practice
has been abandoned and presumably the file will be dis-
carded when it has outlived its usefulness.

15. <u>Files on Current and Former Employees</u>. Official
Personnel Folders are maintained in general accordance
with the Federal Personnel Manual (FPM). In some cases
CIA practices differ from those specified in the Manual,
however. For example, photographs of employees are
included in their folders although this practice is for-
bidden by the FPM. Some types of documentation, such as
requests for personnel actions, are permanently maintained
in CIA employee folders after retirement when the usual
government practice is to discard such papers. In each
such case there has been a positive management decision to
depart from the FPM procedures. The CIA is not required
either by law or the Civil Service Commission to follow
those procedures in detail.

16. Various additional changes in the contents of
folders are being developed and authorized as a result of

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suggestions from employees who have reviewed their own

records. One such change, for example, is the removal

of a cross reference in the folder that indicated, without

explanation, the existence of additional records in the

Special Activity Staff, an organization normally concerned

with disciplinary actions. Effecting these changes is

25X1   nearly [   ] active folders is a very slow process which

is carried out only during summer months when temporary

employees are available for the job. At present there are

no efforts to modify the roughly [   ] inactive folders   25X1

to reflect these changes in view as to what information

such records should contain.

17. The contents of these folders also suffer

occasionally from misfiling by inexperienced clerical

personnel in the Transactions and Records Branch and by

the occasional unauthorized addition of materials to the

folders by components during times the components are

using the files. The Inspectors were unable to assess the

magnitude of these problems, however. They lacked the knowledge

to judge whether all required information pertaining to an

individual employee was included and the time to examine a

sufficient number of files to determine the frequency with

which unauthorized or misfiled materials were present. They

similarly lacked a means of telling whether most misfilings

were relatively unimportant or involved career-damaging

omissions or commissions. The sampling done by the Inspectors confirmed the existence, if not the prevalence and significance, of filing problems, however.

18. It is not clear that inadequacies in Official Personnel Folders constitute a legal problem for the Agency and it is unlikely that feasible actions could correct all such inadequacies. If, however, a significant proportion of folders were found to contain unauthorized or inappropriate damaging material, or to exclude important positive material, and if Agency activity to improve the situation were to remain as limited as it now appears to be, accusations of unfair practices might receive favorable consideration by a court. In any case, even without legal incentives the Agency would want to correct such a condition.

19. Review by an employee of his own Official Personnel Folder has been authorized since 1955 but was rarely done until the recent publication of a Headquarters Notice [ ]

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[ ] of 26 September 1975) calling attention to this authority. The system developed for handling the resulting influx of employees wishing to review their folders could be used on a sampling basis to obtain measures of how frequently filing inaccuracies exist and how frequently inclusions and omissions are of a career-damaging nature. As a side benefit, the sampling could also provide employee suggestions regarding document inclusion policies.

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Personnel could be randomly selected from the various major components in numbers sufficient to provide a reasonable statistical sample of their organization. "Soft" component files on these people could be borrowed. Such files can contain important information not duplicated in official folders. The selected personnel could then be required to review their own records in the presence of an Office of Personnel representative (as is now done for employee-initiated reviews). The employee could determine the presence of misfiled records, if any, and the absence, if true, of documents he knows to exist that should be included. The personnel specialist could determine whether unauthorized material is present and whether additional documents in "soft" files should be included in official folders. He could also grade the importance of the misfiled or missing material. Tabulation and statistical analysis of these results could provide a reliable indication of the condition of active Agency Official Personnel Folders and a compilation of employee suggestions about changes in file policy. The Director of Personnel would then be in a position to make well-informed judgments about whether and when a major effort to improve the folders should be undertaken.

20. The suggestion above is only one approach to the problem. Whether this or an alternative effective method is used is unimportant. The Inspectors believe, however, that a reliable measure of the condition of CIA Official Personnel

A-11

Folders is needed and they found no evidence that an effective system now exists to provide this information. Therefore:

Recommendation No. 1. That the Director of Personnel implement a means by which the condition of active Official Personnel Folders can be assessed in terms of the presence of misfiled or unauthorized documents and the absence of documents that should be included. If widespread serious inadequacies are found to exist, review and correction of all active folders should be undertaken.

21. The recently published retention policy for CIA Official Personnel Folders specified destruction by burning 75 years after the birth of the employee or 60 years after the date of the earliest document. This FPB-based policy has not been followed during the time that records destruction has been restricted at the request of Congressional investigators and, in fact, was not practiced before that restriction. It is also understood that some consideration is now being given to permanent retention of Official Personnel Folders on former Directors and other senior officials, perhaps including all supergrades. Decisions on such proposals, changes as necessary in published policy, and implementation of the published destruction criteria will be required in the near future when the pro-

hibition against records destruction is lifted. The Director of Personnel is aware of this question.

22. The Chief of the Special Activity Staff maintains some records on personnel with whom he has dealt in adverse or un-favorable personnel actions. The content and retention periods for these records varies widely, depending on the nature of the action and whether or not the SAS records are the primary source of information on the case. The rule of reason apparently followed in maintaining this system appears appropriate and does not appear to conflict with the rules laid down for the Official Personnel Folders of which these SAS records are sometimes a separated part.

23. Appropriate excerpts from the Official Personnel Folders of ostensibly separated employees actually working under cover as staff agents are maintained in Contract Personnel Division. The Division handles personnel actions concerning these personnel under pseudonyms. This system, and the means employed to reassemble the personnel folders after the staff agent status or actual employment is terminated, appeared to be completely in order to the Inspectors.

24. Contract Personnel Files. The CIA-31 Official Personnel Records system includes contract as well as staff employees. Files maintained by the Office of Personnel on contract employees include little more than contract and financial information, however. The Operating Components have

traditionally maintained the principal parts of the personnel records--the career and performance evaluation data. The portions of the records maintained in the Office of Personnel present no problems from a legality or charter compatibility viewpoint.

25. Examination of the contract personnel records maintained by Operating Components was not attempted during this survey. The Inspectors did obtain general information to the effect that the quality of these records and even the file content policies and practices vary significantly among the responsible components. The Inspectors believe that this inconsistency might generate future problems in somewhat the same sense as discussed above for staff employee records.

26. The change to a single personnel ceiling for contract and staff personnel, and the resulting conversions of many contract personnel to staff employee status, expressed the Agency's recognition of the fact that these employment categories are increasingly similar to each other. Therefore there seems to be little justification for continuing the very different handling of Official Personnel Records. Inclusion of such records in Office of Personnel holdings would permit greater standardization of the records, probably improve the quality of some of them, and give the Office of Personnel better access to data needed to generate information compilations for management use. At the request of the DDA,

the Inspectors, during their customer survey, sought the

reactions of component heads to such consolidation. Many

welcomed the suggestion and the very limited opposition dealt

with special security situations which, if necessary, could

be handled specially.

Recommendation No. 2. That the Director of Personnel

assume custody and responsibility for all Official Per-

sonnel Records on contract employees.

27. Consultant and Independent Contractor Records.

These records, included in File CIA-32, are also

divided between the Office of Personnel and responsible

Operating Components. Few of the reasons for con-

solidation mentioned above apply in this case. Improved

definitions of the distinct differences between personnel

in these categories and staff and contract employees are

now being developed jointly by the Office of Personnel and

the Office of the General Counsel. The objective is to

prevent misuse of these categories to evade single-ceiling

restrictions on staff and contract personnel manning. Con-

tinuing Office of Personnel participation in Consultant and

Independent Contractor activities is necessary for a variety

of reasons, including monitoring potentials for misuse, but

no changes in present systems appeared to be needed. The

Office of Personnel activities appear to be completely

consistent with legal and charter requirements.

28. <u>Privacy Act Conformance</u>. The Inspectors were very favorably impressed with the attention given by all Office of Personnel components to privacy protection. Procedures for handling requests from outside the Agency for information on CIA personnel are well understood and followed, as are the rules restricting inside access to private information.

29. <u>Recruitment</u>. All field recruiters were visited during this survey and the investigations included practices followed in dealing with applicants and with governmental and private organizations. Although dealings with applicants are not always completely frank--a rejected applicant may be given an erroneous impression of the rejection cause if the real one is uncomplimentary, for example--recruiters were found to be as specific and forthcoming with applicants as possible under restrictions imposed by security and common sense. Recruiter relations with private and other government organizations in their areas are almost exclusively concerned with recruitment activities and CIA affiliations are openly acknowledged.

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32. Upon review of these various activities, the Inspectors found no reason to suspect illegality. The activities appear to be well justified by the unusual characteristics of CIA's mission.

33. Other External Relations. The Inspectors examined the Office of Personnel's employment assistance for departing employees, and its assistance in employee emergencies, to determine if these activities involve inappropriate relationships with organizations

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25X1

No

such problems were found.

34. Financial Transactions. The Office of Personnel
participates in many activities where significant amounts of
money are involved. The Inspectors confined their investi-
gations of these activities to examination of the auditing
practices and financial controls employed. Similarly,
the Inspectors investigated the methods by which trans-
portation arrangements are made to insure that the systems
used preclude favoritism in vendor selection or opportunities
for illicit financial gain by Agency employees. No evidence
was found in any case to raise concerns. The Inspectors
believe that the Office of Personnel's financial trans-
actions are well managed and thoroughly audited.

TAB

EMPLOYEE PERSONNEL RECORDS

AND MANAGEMENT INFORMATION

Introduction

1. A comprehensive investigation of this subject
would take in virtually every Office in the Agency. This
is not only a fair statement of the magnitude of the
subject--it also highlights a fundamental Agency-wide
problem which transcends the scope of this survey, that of
scattered data and duplicated filing resources.

2. Within the Office of Personnel the Deputy
Director for Plans and Control bears the major responsi-
bility for personnel records management--though both of
the other Office Deputy Directors also have important
records-intensive duties to perform in verifying personnel
actions, maintaining records on contractual relationships
both within and outside the Agency, managing the insurance
program and recording the extensive financial transactions
centering on the Credit Union. The Agency repository for
central personnel records resides in three units: the
Qualifications Analysis Branch, the Statistical Reporting
Branch and the Transactions and Records Branch. Somewhat
oversimplifying, the Qualifications Analysis Branch main-
tains the biographic profile listing and the skills

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inventory. The Statistical Reporting Branch is on call for

any type of statistical compilations on Agency personnel

matters, and is the managing authority for the monthly Staffing

Complement (who is working for us and where). It also provides

an important OP interface with the computer programs devoted

to personnel listings. The Transactions and Records Branch

manages the file room where are kept all current Official Per-

sonnel Folders, it maintains a current locate roster of Agency

personnel, and, central to all of this, has the responsibility

for ensuring that personnel actions are properly recorded in

the various information repositories, including the computer

banks.

3. Because our customer survey, as well as some of the

remarks which follow, have a negative cast, it is important

to say at the outset that the personnel records management

system is the child (perhaps, the victim) of the decentralized

type of operation which has characterized Agency management

for over two decades. That it is not a neat unitary system

is understandable, for it was pieced together over the years,

sometimes in response to genuine needs but more than once out

of the duplicative efforts of a bureaucracy highly compart-

mentalized for security reasons. Add to this the security

problems associated with complicated cover arrangements and

the many different types of employment categories and one

has no difficulty in understanding why the Agency is faced

with a patchwork of systems, none of which entirely fails to
do its job, but none of which seems wholly adequate.

4. Given this background, we have nothing but praise
for the records managers in the Office of Personnel for their
work attitudes and their enthusiasm under much less than ideal
circumstances. We were impressed by the key people we met in
the Control Division, including its Chief. Much of their
work, however essential, is by its nature routine and potentially
enervating. They appear to approach it with a positive attitude,
have been able to maintain a good perspective on the importance
of what they do--neither downgrading it or attaching unrealistic
value to it--and they face a processing workload comparable to
that in many of the Agency's busiest production offices.

5. The faults and difficulties of the present patchwork
system are well recognized by all who work with it. They
equally recognize that computerization, now in the planning
stage, has the potential for making major--some say even
quantum--improvements. The issue is not so much how to make
the present system more workable, but rather to ensure that
we, as an Agency, successfully and soon make the move to an
integrated computerized personnel records management system.

Don't or other understand this "quantum" - discuss with PMCD

Official Personnel Records

6. A number of customers are critical of the Official
Personnel Folders maintained by the Office of Personnel.
The customers refer to the presence of misfiled materials,

to incomplete contents, slow inclusion of new material,
and to the presence of multiple copies and trivia. It is
important to note that in many cases these complaints appear
to reflect irritations more than very fundamental problems.
Supervisors have learned to locate the items usually of
interest to them in the overly thick folders and to skip the
excessive and redundant materials. Misfiling and incomplete
contents can be a serious problem, however, since these
folders serve as the source reference for an individual's
career record. As discussed in Tab A, the Inspectors con-
firmed the existence of these problems but were unable to
obtain a reliable measure of their prevalence. Recom-
mendation No. 1 that the prevalence be measured and cor-
rective action be taken if indicated is included in Tab A.

7. Official Personnel Folders are maintained by the
Transactions and Records Branch, a large unit with a staff
varying from ☐ to as many as ☐ The Branch Chief manages
her unit with dedication, enthusiasm and long hours of hard
work. Because every Office of Personnel staffer must spend
a few weeks orientation in the Branch, she has a heavy
training responsibility. She is also responsible for main-
taining the Agency locater file and performs various
important ad hoc duties as well.

8. Chief, TRB acknowledges that in years gone by
Official Personnel Folders were often incorrectly maintained

25X1 (left margin)

25X1 (right margin)

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and out-of-date. She claims that the folders are now kept

current within a very few days of receipt of any new infor-

mation. She says that the chief culprits in the misfiled

information problem are the components who borrow the

folders, then frequently misfile or add material which

doesn't belong and, on more than one occasion, lose files.

We doubt that the blame rests entirely or even primarily

with the customers, but are satisfied that they are

important contributors to the problem.

9. TRB processes all Agency personnel actions. This

means simply that these actions, originating in components,

come to the Branch for verification (as to accuracy) and

are then filed in several repositories, including current

and forthcoming computer systems. There are means for

cross-checking these procedures within TRB and we were told

that they are adequate to the purpose. However, Chief,

TRB faces a rather continual problem of monitoring errors.

She acknowledges that her own junior clerks make many mis-

takes, which she must be ever alert to correct. She also

feels that there are entirely too many mistakes being made

by Office of Personnel assignees to the components. According

to a recent memo she directed to the Chief, Control Division,

during a single week she received ☐ personnel actions with

over 100 errors in them. These errors have to be corrected

before the information can be accepted by and recorded in

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the computer. All personnel actions must be correct and up-to-date in the computer bank before the pay program will operate--there is more at stake here than most of us realized!

10. The TRB staff consists almost entirely of low-graded clerks, some of whom are the cast-offs from other Offices. Such manning contrasts with the heavy amount of responsibility represented by its many tasks, the Branch Chief takes much of this on her own shoulders--perhaps more than she would like to ideally--but she also has very junior clerks engaged in tasks important to Agency management that must be done right. We had the uncomfortable impression that a great number of information activities were tacked together within the Branch and that, except for the unusual energies of its chief, things could easily go awry. We feel that even now she probably needs more senior assistance in her management tasks--she complained that her Deputy was not carrying his weight. Considering her key role, it is obviously important that a well-qualified successor be available.

11. Whether or not individual personnel shifts are needed is a problem best left for decision by Office of Personnel management. A more significant reorganization of TRB seems unnecessary and inappropriate at this time, however. The advent of new computer systems, Persign I,

now nearing completion, and Persign II, "officially"

scheduled for completion by mid-1977, will lead to many

changes in Office of Personnel procedures and organization,

including changes in TRB. It is probably best to defer all

essential changes until then. But until new information

storage technology is developed to a form acceptable to

government Archivists the basic hard-file personnel record

will remain a standard repository of such information in

the Agency.

Biographic Profiles

12. The Qualifications Analysis Branch maintains
employee biographic profiles for management use. Almost
all of the component managers interviewed were critical of
these profiles, considering them too incomplete and out
of date for their needs. A widely perceived need for such
summary information is apparently less than fully
satisfied.

13. Three analysts now work full time on these Agency
biographic profiles. According to Chief, Control Division,
it is impossible under the present system to keep all files
current. The staff will update files on request, and works
on a rotational system for routine updating of all others.
There continues to be a steady demand for biographic pro-
files—as many as 1,000 have been requested in one week
(though usual demand averages only about 150). It would

seem, therefore, that despite customer complaints this service is found useful.

14. An MBO for the Control Division calls for a feasibility study on producing the biographic profiles by computer. This evidently is possible, but not with the present system. As with so much of what was observed in OP data management, progress must await the advanced Persign II computer system.

15. We think that the present effort is sufficiently worthwhile to continue without much change. We doubt that additional personnel would return benefits comparable to their cost. We would, however, suggest that line managers be made more fully aware of their part in maintaining current profiles. If their need for current information is an important one, they should specify to the Control Division that they desire an updating. Also they should urge that their personnel officers never return to the Office of Personnel a requested biographic profile without themselves bringing it up-to-date on the basis of "soft" files and other data available only in the components.

Qualifications Files ("Skills Bank"*)

16. The Qualifications Analysis Branch maintains a data bank of the skills and training backgrounds of Agency

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*Not to be confused with the recruitment listing, with the same nickname, of applicants for CIA employment.

employees. The file is maintained in accordance with
criteria established by the Civil Service Commission. In
most government agencies such a file is required to insure
that qualified aspirants are considered for appointment (and
subsequent mandatory promotion) to vacancies in higher ranked
positions. In CIA, where promotions are decided in the com-
petitive career services with more attention to overall head-
room than to vacancies in positions involving specifically
defined qualifications, this "skills bank" is intended pri-
marily for use in locating employees with qualifications
appropriate to specialized jobs. It also provides compilations
useful for planning personnel acquisition and training.

17. Seven employees are engaged in maintaining the
Agency's qualification files. The work is tedious--to
insure validity, entries must be supported by data in
Official Personnel Folders or by other documentary
evidence. Although these people and their supervisors
believe that the files are kept up-to-date, their assess-
ment is not shared by most of the component managers inter-
viewed, who cite incompleteness in the files, particularly
with regard to training accomplished, and slow inclusion of
recent data as reasons for discontent.

18. Resolution of this apparent contradiction becomes
relatively unimportant in the light of general customer
reactions that the maintenance of the "skills bank", at

least in its current state, is a waste of time. Most component supervisors do not feel a need for general qualifications data. Where specific needs exist, such as the need for data on foreign language capabilities in the DDO, organizations tend to maintain their own data banks. More senior Agency managers do make use of compilations drawn from the qualifications data banks, and wider use would be made of the system if movement of people within and between Directorates becomes more common. We believe, therefore, that the capability should be maintained. We question, however, whether an <u>urgent</u> need exists for its improvement. We also suspect that, in modeling the system on Civil Service Commission practices, complexities and verification requirements superfluous to CIA needs have been included.

19. As in many Office of Personnel activities, the Qualifications Analysis people are looking forward to improved computerization. At the present time a program called CENQUAL is being developed which would produce 5x8 cards containing an employee's name and job qualifications. This program is a subsidiary of Persign II and Chief, Control Division is not optimistic about its completion date. We suggest that completion of CENQUAL could be delayed without serious loss, particularly if such a delay could free significant program resources for the more important Persign II effort.

Computer Program Development

20. The 13-year history of Agency attempts to develop

a comprehensive human resources computer program is not a

happy one. First conceived in 1963, the program was intended

to amalgamate all the key data elements in a central inter-

locking and mutually supporting system. It was to include

a capability for both the current and historical recall of

data for the proper management of job-related activities of

our employees. It was a very ambitious undertaking, though

by no means beyond the limits of then available computer

technology or significantly ahead of several other similar

efforts being undertaken by private industry.

21. In 1973, after nearly ten frustrating years of

effort on this so-called Support Information Processing

System (SIPS), a decision was made to take a new approach--

one that would still weave together the various aspects of

human resource data management (personnel, financial,

contract and security) but would be built in step-by-step

fashion, rather than altogether. The new effort, called

Management Assistance Program (MAPS), was placed under the

Office of Joint Computer Services (OJCS) in 1974 where it

continues to be developed. For the Office of Personnel,

the program will culminate in the Persign II system. This

will combine current and historical data from most of the

now-separate systems on a wide range of personnel matters

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and will provide managers a readily available means of infor-

mation consolidation and recall.

22. At the present time matters stand thus: An inter-

mediate stage program (Persign I) is nearing completion which,

using the IBM 360, will permit the accession of personnel

information now being fed--via paper tapes--into the obsolete

RCA 501. Persign I will also include, for the first time, a

consolidation of both staff and contract employee information.

It does not have a memory bank which would permit analysis of

historical trends in personnel matters. This latter feature

will be tackled under a program called GAP (General Archive

Program) which is only now on the drawing board. The

"official" deadline for Persign II (Persign I and GAP and

other programs) completion is mid-1977.

23. Everyone we talked to, both in the Office of Per-

sonnel and OJCS, were enthusiastic about the goals planned

for Persign II. One analyst, well acquainted with the pro-

gram, said: "It will be the millenium for personnel

management." More to the point, the same analyst, when

asked whether the new program would work, replied: "That's

the wrong question--it simply has to work, because the old

programs on RCA 501 will simply not carry the Agency along--

they cannot do the job that must be done." We would go

even a few steps further. Without a new computer approach,

Agency initiatives in human resource management will continue

to be hampered by inadequate and often misleading data.

Basic personnel compilations provided by the present computer systems are limited in scope, often out of date, and some probably contain significant errors which can neither be identified nor corrected with the present system. For example, both the CIARDS retirement data and the insurance data for the FEGLI program now filed in the current computer system is acknowledged by Chief, Automated Data Resources Staff, to be in error. This situation has arisen because the computer has been unable to handle the workload required for appropriate updating. Persign II will pick up much information from the old system and to the extent it is in error, it will continue to be so. However, Chief, Automated Data Resources Staff, feels confident that most of the major problem areas are known and can be corrected in due-course--given the increased capacity and speed of the system.

24. Our inspection of the computer issue raised for us some disconcerting danger signals. Most persons directly involved with planning for and managing Persign II do not believe the deadlines will be met (the sole exception of those we talked to was the Director, OJCS). Estimates of slippage range from a few months, to never. We are in no position to verify these statements, but we feel that it is important to report on the symptoms of possible difficulties

which came to our attention.

25. Persign II has a very high priority in the Office
of Personnel's planning. Likewise, OJCS, the other major
component involved with Persign II, considers it to be a
very important project. OJCS, however, faces many demanding
customers and must tailor its work program accordingly.
Thus, the original target date set by OJCS for completion
of the Persign II project proposal was initially well behind
the date set by OP; this discrepancy was resolved through
joint committee action but even now Persign II, though in
the so-called "Category I" priority on the OJCS work roster,
is about 20th in priority in a listing of 25 or 26 other
projects (from all Directorates).

26. There is apparently considerable confusion about
how many analysts are actually working on the program.
We heard estimates from responsible Office of Personnel
officials ranging from two to eight. We were told that
three persons (the Automated Data Resource Staff) pro-
vided the main Office of Personnel support and liaison
for the effort. We were told, incidentally, that a
prospective move of the Automated Data Resources Staff
later this year might cause serious delays. We visited
the Staff, housed in OJCS working quarters, and found the
quarters very inadequate and the work force poorly sup-
ported by OJCS. The Staff Chief put the best face on her

situation, but she could not erase our feeling that she enjoyed very little authority in her position, either with her own office or with her host, the OJCS. Further, we learned that only two of the three persons on her staff worked on Persign II; the other analyst has been and is at work on a computerized locater system which is quite ancillary to the main system.

27. We learned that there are monthly meetings to chart the progress of Persign II and other MAPS efforts. These are inter-Directorate meetings attended by senior working-level officers as well as the Directors of several Offices, including OP and OJCS. One senior officer who attends some of these meetings, when asked whether the meetings come to grips with real issues, replied, "Mostly, they lie a lot to each other." Again, we can only report symptoms: con-flicting priorities, working-level concern that things are not going as planned, organizational confusion, and just possibly, a certain amount of self-deception.

28. The current concern with Persign II stems, according to many, from the many partial personnel data systems which are being created on request by OJCS to meet special needs of particular Offices. Some of these are probably quite necessary, but we think that each one should be scrutinized very carefully for its possible impact in the scheduling for Persign II.

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29.   The importance of avoiding unnecessary further

delay in the development and implementation of Persign II

is difficult to overstate. Both the currently unsatisfiable

need for accurate and complete management information and

the fragilities, inadequacies and costs of the patchwork of

systems now performing vital personnel functions argue for

a very high priority. This, and our concern about the

symptoms we encountered, lead to the following recom-

mendations.

Recommendation No. 3. That the Director of Personnel,

working with the Director of OJCS, review the priorities

for Persign II in terms of manpower assigned and the

physical arrangements allotted to staffs.

Recommendation No. 4. That the Director of Personnel,

working with other Offices concerned with the MAPS program,

review the elements of Persign II and assign subsidiary

priorities to those which do not represent key elements of

personnel data urgently needed for managerial decisions or

for provisions of personnel services.

Recommendation No. 5. That the Director of Personnel

request that the Director, OJCS obtain his concurrence

before undertaking personnel-related jobs for other

organizations that are likely to impact unfavorably on

early completion of Persign II.

30.   Increased top-level awareness of the importance
of understanding and guiding the development of Agency human
resources, coupled with adoption of the Management-by-
Objective technique, have generated needs for compilations
and analyses of historical, current and projected personnel
data.   The Annual Personnel Plan (APP) and Personnel Develop-
ment Program (PDP) are major vehicles designed to meet these
needs.   Other consolidations, such as OTR projections,
Recruitment Division projections, and a few separate com-
ponent compilations and projections also exist.   Compilations
of current information are also needed for day-to-day
management decisions.   Chief among such is the Staffing
Complement, which combines information on authorized Table
of Organization positions and the names and some data about
incumbents.   Comments on this last compilation are included
in Tab G.

31.   Both the Annual Personnel Plan (APP) and the Per-
sonnel Development Program (PDP) were launched in early
1973.   They provide a common structured system for Deputy
Directors and Senior Operation Officials to present their
personnel management plans in a format which permits top
management to review these plans, monitor patterns of
progress and finally to evaluate the effectiveness of
implementation.   In terms of Agency culture, these efforts,
principally inspired by the then DCI's own views of what was

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needed, are an attempt to make the Agency's guided but delegated system of management more effective. The APP provides for the forward planning and reporting on a number of personnel management goals (e.g., inter-Directorate transfers, training, EEO). The PDP places special emphasis on the responsibility of managers to develop people--most especially focusing on the employees in grades GS-13 through GS-15 who have been selected as having the potential for assignment to executive level positions. In instituting these innovations, the DCI predicted that five years would pass before the concepts were fully developed, accepted, and effectively employed. His prediction appears to be distressingly valid.

32. The kindest reactions to the APP found during our customer survey describe it as a good idea, badly done. Some customers understand the need for the report at the highest Agency level, but essentially none make use themselves of the compilations they develop for the APP. Many describe the effort required to assemble the APP as excessive and complicated by late delivery of instructions for its preparation and by still later changes in these instructions. Moreover, they believe, with reason, that the accuracy of the compilations is subject to serious doubt. For example, an effort to use the document to

provide gross historical and projected Agency manning
information to OMB was abandoned recently because only in
the DDI submission did the historical data prove to be
correct.

33. In contrast to the APP, the PDP is liked by some com-
ponents and seriously disliked by few. It is simpler to pre-
pare. Some customers make direct use of the product. They
consider the effect of being compelled to consider and follow-
up on specific plans for development of replacements for
senior people beneficial. Many other managers are neutral in
their views of the PDP. A few component chiefs believe that
both personnel and needs change too rapidly to permit long-
term planning to meet future needs, and that the PDP is
therefore unrealistic.

34. After listening to the chorus of complaints about
the APP during the customer survey, the Inspection Team was
prepared to be mystified by its complexities and to find it
well beyond the simple understanding of laymen. We actually
found the APP to be far less formidable, less complicated
and less statistically demanding than represented by its
critics. This is not to say that customer perceptions are
without merit--criticisms were far too prevalent to be
ignored. What we do believe, however, is that some
relatively low-cost adjustments, some further publicity
and training efforts and some very serious attention to the

data base problem (and associated computer support), will go far toward improving general Agency acceptance of this new management tool, and its companion the PDP.

35. Our investigations of this subject were focused primarily on the APP. There were relatively few adverse comments about the PDP elicited during our customer survey. Thus, we studied it only briefly--mainly to acquaint ourselves with its format and suitability to the tasks it is to accomplish. In our more intensive look at the APP, we were concerned primarily with how the Office of Personnel figures in its development, preparation, dissemination and use.

36. As mentioned above, DCI Colby was the principal instigator of the APP. His staff for this effort has been provided in considerable part by the Office of Personnel, specifically, by the Review Staff. This Staff, consisting of a supervisor and three analysts, has other functions, but clearly considers its support for APP to be most important. Both the Chief, Review Staff and her supervisor, the Deputy for Plans and Control, are articulate and knowledgeable proponents. Both give periodic lectures on APP to management seminars and the mid-career course. They believe these talks are useful--they emphasize that there has been considerable improvement in managerial acceptance during the past year and look to

further progress.

37. Nevertheless, there is still much misunderstanding of what APP is all about and the publicity given it has been inadequate to the need. Moreover, the Office of Personnel has contributed to poor acceptance of the report through inadequacies in its early presentations of the plan to senior management, with excessively complicated preparation guidelines, belated modifications of instructions and failures to provide adequate briefing to the middle and lower-level line managers who must fill in the forms. Some of the phenomenon of poor acceptance is the understandable result of a new program being imposed on a fairly static personnel system. Some of it, in our opinion, is the result of communications gap between line management and Office of Personnel staff.

38. We believe that the Office of Personnel should continue to exploit available opportunities for briefing Agency managers on the APP and PDP. One senior officer has said that the wrong people are being briefed on the report; the Deputy Directors know about it but they make "terrible spokesmen" for it. Seldom do Office chiefs become involved except through their own contributions-- and it is the impression of Chief, Review Staff that feedback seldom filters back to them. We think there is need for these briefings to include both Office chiefs

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and their principal administrative officers. Such

briefings should include concrete suggestions for the use

of APP compilations by component management in addition to

emphasizing the positive values to top Agency management

which have been realized from the program thus far.

39. We found the detailed analysis done on the current

APP for the Director unnecessarily prolix and complicated.

We suspect that instructions to line management for the com-

pletion of the forms from which this analysis was done could

be simplified and thus made more palatable. Moreover, we

perceive a view of line management, in our discussion with

Chief, Review Staff, that is not conducive to solving the

communication problem--namely, her view that line managers

are unnecessarily sloppy, lack logic, and exhibit general

indifference, all of which works against the program's

success. We think a more positive approach to the com-

munication problems would come from a recognition that

line managers are often overworked and beset with a plethora

of current deadlines. They are best prepared for innovation

if it is made quite clear how it will help make their

activity become more effective (and easier to manage). They

are not prepared to be confronted with complicated instructions

for filling out elaborate forms, the purpose of which seems to

have nothing to do with solving today's problems today. With

these thoughts in mind, we feel that a more successful approach

can be made by the Review Staff and others in the Office

of Personnel toward gaining acceptance for the program.

40. We did not find the number of categories of information in the APP to be a dominant problem, although some appear relatively unimportant. We understand that the DDA and the Office of Personnel plan to review with the new Director just what categories have proved of worth and which ones have not been very useful. This could lead to some worthwhile simplification.

41. Finally, we think that some of the program's negative image comes from data base inadequacies and statistical discrepancies, the results of which are obvious to line managers. Their organizations simply don't look like they appear to look from data provided by the Office of Personnel. We feel this to be a strong element in the credibility problem which seems to surround the program. Data base difficulties will continue to impede acceptance of the APP and, to a lesser extent, the PDP, until the Persign I and II human resources computer programs become available. We expect these programs to ease significantly the line manager's data accumulation and presentation problems, to improve the quality and uniformity of the result, and, hence, to improve present negative attitudes toward the APP. This is itself a worthy reason for providing impetus to the timely completion of these computer programs.

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42. Although we have provided suggestions about Office
of Personnel attitudes and actions on this problem, most
reflect our endorsement of actions now underway. We, there-
fore, are not including specific numbered recommendations.
We suggest, however, that the personnel management
training course recommended (No. 10) in Tab H be used as
one vehicle to establish better communications with Agency
managers about the APP and the PDP.

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TAB

TAB C

INTERNAL PLACEMENT AND MOVEMENT

1. There is a widely perceived need for greater freedom of personnel movement within, and particularly between Directorates. Some of these perceptions are simply wishful thinking. From interviews conducted during the survey, it is apparent that many employees would like a means of job-shopping around the Agency to seek a more varied career or higher pay--but many would not risk the uncertainties of an actual transfer. Managers would like their poor-performers to find another career--but would like to retain and add to their stock of outstanding people. There are more legitimate needs for increased personnel movements, but progress toward meeting them is hampered by these attitudes of employees and managers. Moreover, the increasing specialization required of Agency personnel is making the difficulties greater with passing time.

2. During the customer survey, the Inspectors heard many managers express the view that the Office of Personnel should somehow provide a means for more transfers to take place. Often the motivation appeared selfish--the manager had or expected to have a disposal problem. A number of more general benefits potentially realizeable through increased movement were cited, however, including:

    a. Acquisition of broader experience and knowledge
by front-running personnel deemed to be candidates for senior
positions in the Agency.

    b. Improvement in understanding, communication, and
cooperation among components and Directorates.

    c. More consideration of total Agency personnel
resources when deciding how to fill vacancies.

    d. Development of a broader spectrum of positions
available to employees which would allow for advancement
opportunities for those with abilities that exceed grade
limits available in their present components and would
make for more varied and interesting careers.

    3. Despite the views of many managers, we formed the
impression from our own observations and from the statistics
in the Annual Personnel Plan that internal movement of people
is increasing both within and between Directorates. The movement
of supervisors is much more common than it used to be. Energetic
and able younger employees are now often able to find and move
to a new position on their own initiative. This is true of some
older very capable employees, but to a lesser extent. They
often have acquired too much specialization and too high a
grade to make them attractive to a different component.

    4. There is still little movement among the people who

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really make the Agency work--the competent, hardworking, average employees. These people often lack marketable skills--or initiative and desire--to find different positions--but it is not clear that the benefits acquired by attempting to develop such skills or initiatives and desires would exceed the costs of retraining or, in many cases, of creating unsatisfiable expectations. Among this group, however, there are some who are semi-elliptical people in semi-rectangular holes. Their performance and job outlook would be improved through a move that achieved a better match between their capabilities and duties. Movement of a few others who are stagnating or becoming outmoded in their present position could also benefit both employee and Agency. And in some cases employees are compelled by limited opportunity in their component to work below their real potential.

5. Assuming that present healthy trends for movement of supervisors and outstanding younger employees continue, the problem is how, and by whom, movement can be fostered, when desirable, of older outstanding employees and of specific employees with average, competent performance records. There seems little point in encouraging general movement without specific individual objectives in mind. And there is no point in moving incompetent individuals to new positions unless there is good reason to hope that the limitation will be cured by

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the move.

6. The Office of Personnel role in this effort must necessarily be one of establishing mechanisms, providing assistance to individuals and encouraging action by the Career Services and component managers. Individuals, component managers or Career Services must provide the initiative for individual actions, since only they are in a position to know when such actions are desirable.

7. Given this background, the Inspection Team was gratified by the efforts found underway in the Office of Personnel to meet these needs. The Plans Staff has taken the lead in encouraging the formation of a Careers Committee, and participates in the Committee's efforts. This group is made up of representatives of the various Career Services. It is now working on the development of career patterns that, where appropriate, will involve the assignment of personnel outside their components and, in some cases, their Directorates. It is too early to assess the Committee's performance, but the concept is one that can contribute to solving this and other problems that are the children of the decentralized Agency personnel management system.

25X1

Coordinated views on implementation PSB.

not what is designed to do.

8. The Professional Staffing Branch (PSB) of Staff Personnel Division (SPD) participates in the placement of incoming professional personnel, although component managers

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really exercise decision power in these cases. After initial assignment, internal movements of professionals are handled within the Office of Personnel by the Professional Placement Branch (PPB) of SPD. PPB records ratifies and often assists the many personnel movements arranged by the managers and individuals concerned. In addition, PPB attempts to solve more difficult placement problems. Such cases are generally initiated by the individual or by managers arising from such developments as alien marriages or surplus situations. Some involve people in the lower grades who have obtained and wish to exploit a new academic degree--often in a subject little needed by the Agency. Still others are people ill-suited to their present positions and sometimes lacking in skills that are needed elsewhere.

9. During 1975 fewer than [   ] employees sought out or were referred to PPB for job counselling. PPB succeeded in placing only about 10% of these problem cases, an unsurprising outcome considering that PPB amounted to a court of last resort after efforts by the component and Directorate failed to solve the problem. We found, however, that when a person comes, or is sent, to Office of Personnel for job counselling, a sincere effort is made to help the individual. On occasion, testing will be recommended in an attempt to better evaluate the type of work that he or she would be suited for. The Vacancy Notices,

STAT

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which PPB is responsible for, serve as a source of leads for placement as do the Recruitment Requisitions which come into SPD. PPB also maintains and exploits contacts with the Personnel Officers assigned throughout the Agency. In some cases PPB enters the person's qualifications in the listing (sometimes called the skills bank*) of applicants under consideration for employment.

10. The Inspectors examined the Vacancy Notice system administered by PPB and found that it works as well as can be expected, which in some cases is very well indeed. Components and Directorates in general fill their vacancies from within and are apt to seek outside applicants through the Vacancy Notice system only in those cases where they lack qualified people. While this restricts access to opportunity, it also prevents the proliferation of Vacancy Notices that are unreal because the manager concerned has already made his decision. The Vacancy Notice system works well for some senior secretarial positions and for some types of professional positions such as editors at least in the sense of broadening the number of qualified

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*Not to be confused with the data on qualifications of Agency employees sometimes given the same nickname.

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applicants. Senior secretary Vacancy Notices often impose a much greater interview load on busy managers than is justified by the slight differences among the many qualified applicants. This inherent problem probably causes some managers to avoid use of Vacancy Notices, but we are unable to suggest a solution.

11. PPB's modest achievement in placing employees for whom change is required is, as indicated above, a product of its becoming involved only after a personnel problem has become almost hopeless. The Inspection Team has sought, without success, to conceive a useful mechanism within the Office of Personnel that would permit earlier solution of developing problems, and have concluded that the final responsibility rests with line management. A more ambitious program by PPB would tend to interfere with management's responsibility; be more costly to operate and become overburdened by employees curious about opportunities elsewhere but not to the extent that they would be likely to transfer. We believe, therefore, that the prime responsibility and action must remain with management, including the Career Services, and that the Office of Personnel activity is about as it should be. This does not mean that the problem does not remain a serious one. It only indicates that there is relatively little the Office of Personnel can do about it beyond the efforts, especially by the Career Committee, now being pursued.

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TAB

TAB D

OUTPLACEMENT

1. Outplacement is a key element among services designed to reduce the uncertainties, income interruptions, and other financial and emotional disturbances associated with leaving Agency employment. It is useful as a compassionate service for retirees, but could have greater value as a means of encouraging and expediting the departure of those employees who are no longer needed by the Agency because of manning reductions, less than complete suitability for available positions, irreparable stagnation in place, or often combinations of these factors.

2. We found general agreement among component managers that the Agency needs an effective outplacement service. The importance attached to the need varies, with the strongest advocates being leaders of components with significant recent or projected force reduction problems and/or those least able to establish an employee's suitability for a job during the probationary period before binding job commitments are made to the employee. The most surprising finding from the customer survey--in the light of the real situation--is that almost all component managers believe the present services to be essentially ineffective.

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3. The Agency's outplacement service is carried out by
the Retirement Affairs Division (RAD), a small organization
which also provides a variety of other retirement-related
benefits and services. These include administering the CIA
retirement program, processing requests for retirement under
the Civil Service system, and providing guidance on retirement
programs for proprietary organizations. The Division is also
responsible for counselling employees contemplating retirement
or former employees who require assistance related to their
retirement situation.

4. There are two central features of the Agency's out-
placement service which bear noting at the outset. First, it
is a service, not a guarantee of a job. The very excellent
brochure provided all persons who retire from the Agency makes
this point: "The counselors have a modest capability for
identifying and contacting likely employers to whom retirees
might make application. While the counselors might be able to
give some job leads, and do extend every assistance within their
means, the retiree is made to realize that they cannot get a
job for him--getting the job is up to the retiree." Secondly,
by no means everyone who retires avails themselves of the
outplacement service. Of the several hundred employees who
retire from the Agency each year, less than half request anything
more from RAD than routine information on insurance and annuity

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benefits and, perhaps, assistance in preparing a job resume

suitably reflecting their years of employment with CIA. During

FY 1975, ☐ employees sought assistance from the Division. **STAT**

In addition, ☐ who approached the Division for assistance **STAT**

in FY 1974 are still considered active cases. Of the 1974/75

total, ☐ requested counselling and resumes only and ☐   **STAT** ... **STAT**

evinced no further interest after receiving an initial briefing

from one of the retirement counselors. Approximately ☐   **STAT**

requested active assistance in job hunting.

5. We did not find support for the perception held by

many in the Agency that the outplacement service is at best

ineffective or, at worst, non-existent. Undoubtedly more jobs

could be found with a larger budget and a larger staff. But,

even now the success rate must be considered quite respectable.

Of those prospective retirees who actively work with the Division,

complete their resumes, follow up leads provided and make some

efforts on their own, one out of three obtain the job of their

choice. In FY-1975, ☐ such retirees left the Agency with a   **STAT**

new career already settled upon. The remaining job seekers,

some ☐ in number, continue to be considered as active cases   **STAT**

by the Division and, presumably, many of that number will, in

the course of the next year or so, find the employment they

seek through a combination of their own efforts and support

D-3

from the Division.

6. At the present time the Division has three professional employees in the outplacement function, a modest allocation of manpower when one considers the potential scope of the job. Even so, the Agency is undoubtedly one of the leaders in this field. Several years ago a study in the journal Administrative Management indicated that 86% of the 200 major U.S. companies provided no pre-retirement programs at all, much less an active outplacement function. According to the Chief of RAD, little outplacement service is provided elsewhere in government. NSA has a contract with a private employment agency; the Department of State has a small unit of about four persons handling all types of retirement counselling; but most old-line agencies depend solely on the Federal and State employment bureaus.

7. The question of why CIA provides outplacement service at all, and whether we should do so in the future, can be approached several ways. The present service apparently grew out of decisions made in the 1950's regarding a proposal to establish the function with a private employment agency. This proposal was overruled, apparently on grounds of security, and the present system evolved. In subsequent years demands for the service have varied considerably. During the Schlesinger cutbacks, RAD was flooded with applicants for assistance and put in long hours of overtime. More recently,

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the pace of work has become steadier and more routine, though
the decrease in average retirement age in the last several years
has meant that the number of retirees seriously looking for a
post-retirement job is proportionately greater.

8. The value of an effective outplacement service as a means
of encouraging and easing the departure of employees who are
of diminishing use to the Agency has already been mentioned.
A consistent stream of outgoing personnel must be maintained if
only to provide, during a long period of zero or negative growth,
for the infusion of new people needed to maintain Agency viability
and strength in a rapidly changing world. Outplacement assistance
could help by encouraging voluntary early retirement. But some
of this room may have to be created by surplus actions against
people in the bottom ranking percentiles, not all of whom will
be eligible for retirement. Provision of effective outplacement
assistance in such cases--and many CIA castoffs are likely to be
more than competitive with average job seekers from other
organizations--would do much to ease the potential problems for
both the individual and the Agency that are inherent in
involuntary separations.

9. Another reason for maintaining an Agency outplacement
activity is that we might soon be required to do so. Pending
legislation, introduced by Congressman Edwards and Senator Mondale,

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calls for all Federal employers to provide some form of pre-retirement counselling and job-finding assistance, followed by post-retirement interviews with former employees to determine their degree of well being in their new situation. Chief, RAD points out that the Agency is already engaged in all of these activities and therefore can take some pride and comfort in knowing that we are ahead of the pack.

10. We believe outplacement to be a valuable and necessary part of the Agency's personnel program. We were disturbed by remarks by Office of Personnel officials suggesting that out-placement might be the first effort cut if Office resources are further curtailed. We hope that this would not be the decision in such an event.

11. We consider the basic thrust of current outplacement services to be correct. It is neither feasible nor desirable to provide more than counselling, job contact assistance, and other support to a departing employee's efforts to obtain employment. We consider the success record of the present effort to be very reasonable and are not certain that more is required, although still better achievements at little additional cost would be even more useful. Some suggestions that might help are listed below:

   a. The capabilities of the counselors to find job

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possibilities outside the Washington area is very limited
at present, according to Chief, RAD. We believe this might
be improved by making more use of our rather broad profes-
sional representation throughout the United States and
Europe.   25X1
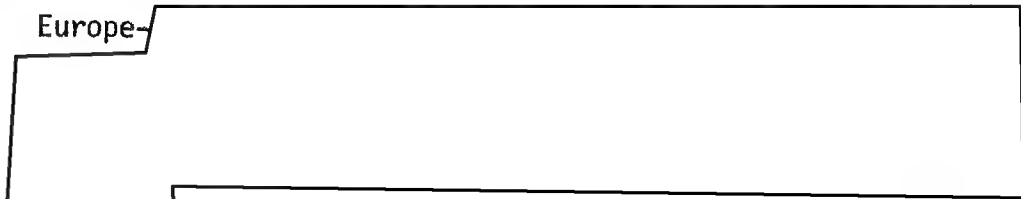
We recognize the inherent difficulties in enlisting
the assistance of busy Agency managers in the outplacement
effort and the necessity of avoiding conflict of interest
problems in soliciting job-finding assistance from non-
Agency sources. However, we think that RAD might explore
for some low-key means of alerting Agency managers who
typically deal with employers in industry and elsewhere to
the job needs of prospective departees. Perhaps this could
take the form of a periodic listing, keyed by number not
name, of resumes of such job seekers. Such a listing could
be sent to Agency managers who indicate a willingness and
capability to help, as well as to DCD and Recruiting Field
Offices.

b. We were not aware in our discussions with RAD that
any very serious effort is being made to enlist the
assistance of former Agency employees now successfully

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employed elsewhere. A low-key approach to such employees
with offers to provide information similar to that circulated
within the Agency might prove helpful in generating new
job leads.

12. Probably the most important conclusion of this study
is that the successful outplacement effort is apparently having
few of the desired effects of reducing Agency manning, because
managers, and undoubtedly their subordinates, are unaware of its
success. Indeed, the efforts of RAD and the Office of Personnel
to avert the development of false expectations about their
capabilities--such as the quotation in paragraph 4, above--may
contribute to this misconception. Therefore:

Recommendation No. 6. That the Director of Personnel find means
as soon as possible of conveying to component managers a more
accurate view of the capabilities and achievements of RAD's
outplacement assistance program.

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TAB E

RECRUITMENT AND APPLICANT PROCESSING

1. During the course of this survey, recruiters were interviewed in   25X1

The
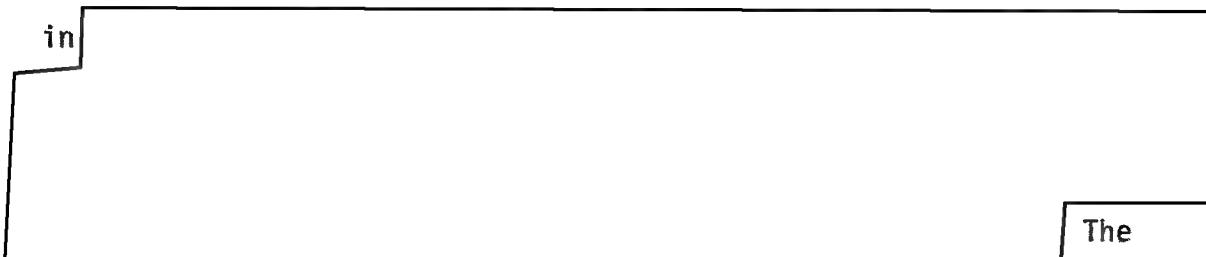
ages of the recruiters vary, but generally they are on the upper side of middle age. During the course of our pre-inspection dis-cussions, there was concern that because of the generation gap between the recruiters and student applicants (one recruiter is 60), they would not be able to relate to each other. On the other hand, when an applicant, many of whom are students, wants to talk about a career in government, he or she would probably prefer to talk to a "father figure" than to a recruiter who is just two or three years out of school. This is even more so with female applicants. On balance, we did not see it as a problem that many of the recruiters are middle-aged and beyond.

2. Some of the recruiters have absolutely no Headquarters experience and others have had limited exposure. While this does not make their task impossible, it most assuredly cannot make it easier. The recruiters seemed knowledgeable enough about the Agency in generalities, but there is no question that recruiters without

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reasonably extensive experience elsewhere in the Agency are
limited in their ability to convey the flavor of Agency employment
to some applicants. We found evidence of this during our field
visits. We would suggest that all new recruiters assigned to the
field possess somewhat more Agency experience. It is also suggested
that during their slack season, usually the summers, present
recruiters be brought to Headquarters and assigned to and work with
the components for which they recruit. It is felt that this would
give them a better appreciation for the needs of the components
than, for instance, attending or monitoring courses at Headquarters.

3. With one or two very minor exceptions, we found that the
recruiters are maintaining very low profiles and it is, indeed,
rare when any of them will make a speech or officially represent
the Agency except in a recruiting environment. In those rare
instances where they have generated publicity in the recent past,
it was more often a situation not instigated by the recruiter. Thus
they do perform a representational function in their field areas,
but not to the public at large.

4. One of the most noticeable aspects of recruitment was the
heavy, almost exclusive, emphasis placed on recruitment in the
academic environment. This has been traditional with the Agency in
the past and, according to the Chief of the Recruitment Division,
efforts will be made to develop more non-academic sources in the

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future. The Inspection Team believes that this would be a most
worthwhile development because of the Agency's need to incorporate
views based on different perspectives and experience which can
be achieved through lateral introductions of middle and high
graded personnel.

5. Most of the recruiters made mention of the fact that
pressures are being placed on them to improve their records in
minority recruitment, especially with Blacks and Hispanics. All
evidenced a sincere desire to comply, pointed to their extra-
academic efforts to attract qualified Blacks, including contact
with the Urban League. One recruiter pointed out that on one
occasion he mailed letters to 145 Blacks at a local university,
soliciting their interest, got back 11 resumes, interviewed five
and gave four of them applications, two or three of which were
returned. This example is consistent with general activity which
shows a sincere, concerted and very difficult effort to recruit
Blacks and Hispanics is being made by all recruiters.

6. All of the recruiters acknowledge that one of their main
objectives is to get their recommended cases to Headquarters as
soon as possible and their fondest hope is that expeditious action
will be taken on their cases. All bemoaned the fact that it
doesn't work that way. The inspection examined the various steps
taken in the field and at OP Headquarters in the processing of an

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applicant for employment. It is unquestionably a time consuming

process at both ends. The prospective applicants complete a short

form resume before they are interviewed by a recruiter. At the

completion of the interview and if the recruiter thinks there is

a reasonable chance of placement, the applicant is provided a

rather comprehensive set of application forms and scheduled,

in most cases, to take the   STAT

                                                                              STAT

in a most expeditious manner, even being hand-carried in many

instances in order to save time. While this was not always the

case in the past, the inspection concluded that the Staff Personnel

Division is doing everything possible at Headquarters to get

applicant cases into the hands of the customers as quickly as

possible. Much of the criticism about the amount of time that it

takes to process an application was centered around the administration

STAT   it takes a minimum average of five weeks for the

customer to get the results of the test taken in the field) and the

time that it takes a customer to decide whether or not to put a

case in process.

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7. We question whether the value of early administration of the PATB is sufficient in most cases, to justify the loss of good applicants probably generated by the delay entailed. We note that some Offices now request that [   ]not be administered. STAT Another Office, which insists on its use, last validated its usefulness in 1958 on the basis of examining [   ] cases. Other STAT Offices might find that administration and prompt evaluation of the test during an applicant's Headquarters visit would satisfy their need. Decisions on this matter must be reserved to the Operating Components who best understand their personnel needs and the reasons for particular selection criteria. We believe they should be fully aware of the costs of present [   ]practices in STAT terms of lost applicants, extra recruiting efforts, and simply the dollar expended for administering the test in many localities, however. We suggest that this subject be included in the course for component managers recommended (No. 10) in Tab H.

8. Another major cause of delay is the time taken by components to reach decisions about putting applicants in process. We believe the Office of Personnel is doing well in its efforts to minimize these delays by hand-carrying and reminding components of long-retained applicant folders. We suggest, however; that statistics and horrible examples be assembled and presented to managers at the course mentioned above in the hope of increasing their awareness

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of the problem.

9. One aspect of Agency recruitment procedures, which was most noticeable and disconcerting, is the emphasis placed on recruiting for the Career Trainee Program (CTP). Most of the recruiters go after students working on their Masters or Doctorates as CTP candidates. They have been told for years that one doesn't need an MA or PhD to make a good case officer, and while they believe this, they keep an eye on what is selling and that is what they recruit. It was explained that because it is a buyer's market, there are numerous outstanding candidates available and all other things being equal, the candidate with the MA or PhD is more likely to be selected than one with a BA or BS. Most CTP candidates are "pre-committed", that is, the recruiter specifically designates them as such which means that their files are not available for review by other components. When received at Headquarters, such files are sent directly to the Office of Training (OTR). Others are earmarked for the CTP at Headquarters and they too go to OTR without being made available for review elsewhere in the Agency. Others that are in the Skills Bank may be requested by CTP and in all cases where CTP has an interest, the files are not available for review by other components. Because CTP candidates are later interviewed in the field and because OTR frequently waits until they have a sufficient number to interview in a

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a geographical area, the CTP files often are "blocked" for a long period of time. The whole CTP recruitment concept has been discussed as a "massive overskill". Inquiries in this regard were made and confirmation received to the effect that in CY-1974 they (OTR) reviewed ☐ files on CTP candidates and hired only ☐ new employees and in CY-1975 they reviewed 692 files and hired only ☐ new employees. Our investigations from the Office of Personnel per- spective supported the view that the CTP recruitment program indeed looks like a "massive overskill". The Office of Personnel activities are governed in many cases by personnel requirements specified by other components, however, and the program as a whole is managed by OTR. Therefore, this matter will be further reviewed during an OIG survey of OTR scheduled to start within two or three months. Recommendations for corrective action, if still indicated, will be included in the report of that survey.

10. Shortages of clerical personnel were often cited by customers as reason for dissatisfaction with Office of Personnel recruiting efforts. Our examination of these efforts failed to suggest any dramatic new means of increasing the flow of new clerical employees. Recruitment Division is aware of the complaints and, we believe, is taking all steps available to satisfy them. There is some question as to whether the Agency-wide shortage is

as significant as it appears to some managers. Statistics on clericals employed versus clerical positions suggest that mis-assignment may be part of the problem. Poor management in a few components experiencing unusually high turnover rates may be another. In any case, we believe the Office of Personnel is taking all steps reasonably available to it to meet Agency clerical recruitment objectives.

11. Specialized recruitment was discussed with all the recruiters, as well as with those involved at Headquarters, and it was generally agreed that this is an area where support and assistance rightfully can and should be provided by the components. While some recruiters do very well in specialized requirements, all felt that the components levying the request should give the recruiter a clue as to where such talent could be found.

12. The age-old question of whether or not recruitment could be handled from Headquarters was discussed at all levels and the age-old replies of knowing and maintaining contacts, in addition to being spokesman for the Agency, were heard. There is a certain amount of logic to having recruiters located throughout the country, although the "Agency spokesman" aspect does not seem valid in 1976. Unless there is a drastic reduction in Agency hiring and there is no hard evidence that one is on the horizon, it is not believed that any recommendations, other

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than maintaining status quo, are prudent in this regard at
this time.

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TAB

CLERICAL CAREER MANAGEMENT

1. The clerical management problem is primarily one of limited promotion opportunities. Strongly adverse views of many component managers about Office of Personnel (particularly PMCD) activities in this area indicated the desirability of treating the subject separately in this report. In many respects, however, this discussion is an extension of that found in Tab G, Position Management and Compensation.

2. Opportunities for clerical advancement are limited by the low (as compared to professional) General Schedule (GS) grade structures established for clerical positions and by limited opportunities for clericals to move into semi-professional or professional positions which require skills which many clerical employees do not generally possess. Moreover, some qualified clericals, particularly secretaries, like their jobs and desire to remain in their chosen field.

3. Non-secretarial clerical positions such as registry or mail room clerks are generally limited to the GS-05/07 grade level with a supervisor one step higher. In the secretarial field the Agency follows a pattern system based on the organizational level and grade of the supervisors position. Few senior secretaries can hope to obtain positions at grades higher

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than GS-07, or, perhaps GS-09. Since clerical grade level
structures are limited to begin with, a competent individual
who enters on duty as a GS-04/05 may be promoted to GS-07 or
even GS-09 relatively early in his/her career. Thereafter the
prospects for further promotion are dim; morale sometimes
suffers.

4. Agency managers empathize with clericals on promotion
headroom problems. They are particularly concerned over the
established secretarial pattern as it affects senior secretarial
positions. Many view their secretaries as highly competent,
indispensable members of their management team. An analyst
or case officer may be easily replaced or others can take over
the workload, but the manager's secretary, who, in some cases,
is fulfilling the role of an office manager, is irreplaceable.
Therefore, it is understandable that managers want to reward
their secretaries with promotions. They desire to accord them
grade levels which, in their opinion, equate to their value in
comparison to the professional members of the team.

5. During 1974/75, the senior secretary problem was the
subject of several Management Committee discussions. In sum,
the Management Committee concluded that the Agency secretarial
pattern system should be continued as a guide in determining
pay levels for secretaries, that the Directorates should submit

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recommendations for secretarial upgrading to OP, PMCD for review in those cases where components judged upgradings to be justified and that perhaps the term senior secretary is a mis-nomer in describing some secretarial positions, particularly overseas, and that a new job or position category be considered that more accurately describes the many duties such secretaries or office managers are called upon to perform.

6. As a result of the above Management Committee directive,

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PMCD conducted a review of ☐ secretarial positions recommended for upgrading by the career services. In conducting its review, PMCD utilized comparison data obtained from the Civil Service Commission, other government agencies and private industry. PMCD concluded that following "equal pay for equal work" principles, upgradings were justified in only a few instances and that CIA secretaries, in general, are paid comparably or better than their counterparts in industry or other government agencies. PMCD also found that, aside from promotion limitations, factors such as under-utilization, promotion policies and professional treat-ment of clericals were contributing factors to dissatisfaction. As a result of the present inspection, we endorse these PMCD findings. As stated in Tab G, we conclude that PMCD's enforcement of job/pay equity for secretarial and clerical positions is very effective despite frequent and strong management opposition.

F-3

The clerical field is one in which "equal pay for equal work" standards can be readily established due to the similarity of clerical duties at different levels. Moreover, in most, if not all cases, valid comparisons can be made with similar positions elsewhere in government and industry.

7. We have no specific recommendations for Office of Personnel actions to improve Agency clerical career management. We applaud the successful efforts of the Office of Personnel to generate separate and special consideration of clerical personnel within the career services. We have considered, as have many others, the establishment of an Agency-wide clerical career service. The intent of such a career service would be to broaden opportunities for competitive cross-Directorate movement of clericals to better positions. However, we believe that the advantages of broader access to the very few positions at grades above the GS-07's and GS-09's available in the individual career services are limited, and real achievement of such broad access by this mechanism is dubious. Some mechanisms, particularly vacancy notices, now provide broad access in some cases. Thus, we conclude that the likely advantages of a single career service for clerical personnel, or just for senior secretaries, would not offset the complexities and difficulties generated by its creation.

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8.   We believe that more attention should be focused on
alleviating problems encountered by PMCD during its senior
secretary survey which are perhaps more serious than advancement
opportunities, e.g., secretarial utilization, management atti-
tudes, recognition, etc. Further, we believe that managers
need to obtain a better understanding of the limits on what
a government employer can do to improve the pay status of its
secretarial personnel. We suggest that these topics be included
in the management course recommended in Tab H.

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TAB

POSITION MANAGEMENT AND

COMPENSATION

INTRODUCTION

1.   The Position Management and Compensation Division

(PMCD) is the Director of Personnel's principal agent in meeting

his responsibility for authenticating staffing complements--

often called Tables of Organization (T/O's)--and revisions

thereto.   These staffing complements establish the official

numbers, grades, titles and interrelationships of job positions

in Agency components.   To perform this function, PMCD conducts

desk audits of Agency positions, either in response to a

component request that a particular position be reviewed (usually

in the hope of upgrading it) or as part of a survey of the

organization itself.   Such surveys may occur upon request, when

managers need authentication of a significant reorganization of

an existing component or need a staffing complement for a new

organization.   PMCD is also chartered to conduct periodic

position surveys of all Agency components.

2.   PMCD's objective during its position evaluations is to

insure, within reasonable limits, that the compensation for

positions of similar levels of difficulty and responsibility are

consistent within the Agency and with the rest of government.

Achievement of this job/pay equity ideal is circumscribed by

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requirements that, within a Directorate, reclassification of positions must not (without DCI approval) increase the total number of senior slots (e.g. positions at grades of GS-14 and above) or the average grade of all positions. If PMCD's evaluations of job/pay equity lead to upgrading of some positions, others, at least within the Directorate, must be downgraded--perhaps despite job/pay equity--to maintain the status quo. Similarly, the Director of Personnel is charged with evaluation of Directorate proposals to change the number, grade or allocation of supergrade positions. PMCD becomes involved in such evaluation and is influenced during its position evaluations by the fact that the totals of present staffing complements include more supergrade positions than OMB has authorized to the Agency.

3.   The objectives of PMCD's periodic position surveys are to update position information--in order to improve evaluation standards--and to make necessary adjustments in the grade of individual positions and the position structure as a whole. This last requirement on PMCD puts it in the position, in effect, of advising a manager on how he should organize his component in order to accomplish his mission.

4.   We formed judgments on the effectiveness of PMCD's contributions toward achieving job/pay equity on the basis of discussions within PMCD and our analyses of component managers'

comments and of recent PMCD surveys and survey reports. We conclude that PMCD's contributions vary by grade and type of position.

    a. PMCD's enforcement of job/pay equity for secretarial and clerical positions is very effective despite frequent and strong management opposition.

    b. PMCD is generally effective, and usually provides a useful and welcome service to managers, in establishing and enforcing job equity for multiple-copy technicians.

    c. PMCD is usually effective, despite management pressure for more headroom, in maintaining job/pay equity for junior and middle grade analysts, case officers and support officers--but complaints abound in individual cases.

    d. PMCD's contributions toward establishing and monitoring job/pay equity are relatively ineffective at grades of GS-14 and above. PMCD's competence to evaluate such positions is frequently questioned, and it is rarely able to prevail in resolving disputes. When it does prevail, its downgrading recommendations sometimes restrict future headroom but have little immediate effect in the sense of causing transfers or demotions of incumbents. As one senior manager put it, the outcome depends on how well the Office "snows" PMCD.

5.   PMCD's responsibilities in the enforcement of average grade, senior slot and supergrade limits are unclear. It is therefore difficult to assess the Division's contributions to this effort. Responsibility for allocation of Directorate staff manpower ceilings (i.e. total positions) among components is assigned to Deputy Directors. Each year they, or their component heads, develop proposed staffing complements which, in their totals, must stay within the numbers of positions at each grade allocated to their career services. Proposed staffing complements which contain revision, or are later revised by a PMCD periodic survey, must be authenticated by the Director of Personnel. If that authentication supports a number of positions, an average grade or a number of senior slots that exceeds the Directorate's allocation, the Deputy Director must take action through the Director of Personnel and Comptroller to obtain approval for the increase. The Director of Personnel may <u>advise</u> on where compensating changes may be made to avoid exceeding average grade limits. But responsibility, and most decision authority, belongs to the Deputy Director concerned. PMCD's responsibility appears to be in support of the Director of Personnel's monitoring, advisory and staffing complement authentication roles. Wherever the blame or credit lies, it is important to note that upward grade creep in CIA is not significantly different from that experienced in most other Federal agencies.

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6.   Agency managers express more dissatisfaction with the way the PMCD function is performed than with any other activity of the Office of Personnel. They allege that PMCD personnel do not understand Agency functions and positions, much less their importance and uniqueness, and insist on using Civil Service standards of position classification which many think are not applicable to the Agency. Managers are further disturbed by PMCD delays in reviewing component requested changes and by the time-consuming PMCD periodic surveys which rarely have a significant impact. In judging the validity of such criticism, which reflects the view of a large majority but is not universal, one must take into account the PMCD functions described above. These are control functions which impact on how managers manage. Since PMCD, in its wisdom, frequently disagrees with the wisdom of managers concerning position classification, an adversary relationship develops. Therefore, PMCD does not engender much affection from managers.

7.   CIA follows the Civil Service wage and grade structure, but the dynamic nature of the Agency's unique role has resulted in management innovations which are not typical of the Civil Service tradition. Position management in the Civil Service usually involves looking at the function of an organization and constructing a hierarchic structure of components and positions to perform that function. Position management in

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that tradition envisions a fairly stable situation--minor changes in positions and structures can be accommodated based on experience. Such organization structures are effectively utilized by many Agency components including the Office of Personnel. However, many other Agency components are characterized by constant change in mission and priorities. Their organizational structures and assignment of personnel are in constant flux. Such components find the slow and agonizing PMCD way of doing business untenable.

8. In the position classification field, CIA also frequently departs from Civil Service concepts. In the Ciyil Service tradition a position has certain qualities of responsibility, supervision, educational requirements, etc. Based on the number and level of such requirements a GS grade is assigned to the position. People then compete for the position on the basis of merit and the assigned individual must be promoted within 120 days or removed from the position. Superficially, CIA appears to function in a similar manner. Actually, the Agency career service system operates more on the "rank in the man" than on the Civil Service "rank in the position" concept. Agency managers think in terms of the career progression of people. Individuals are frequently placed in a position not because their talents match all of the requirements of the position description but in order to provide them

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with the opportunity for advancement based on potential and past performance. Then the functions of the position are unofficially modified to best exploit the talents of the incumbent. Thus, there is an inherent incompatibility between PMCD's preoccupation with fixed, unchanging positions and managers' preoccupations with adjusting positions to fit changing people.

9.   In reviewing a number of PMCD surveys, we find some validity to the frequently voiced assertion that PMCD bases its judgment too closely on Civil Service precepts. It is concerned with matching grade structures to hierarchic organization structures, sometimes with little understanding of why some organizations are otherwise arranged. It goes to some lengths to correlate CIA positions (which are frequently unique to CIA) with positions elsewhere in the government, e.g., an NSA journeyman computer programmer is a GS-12; therefore, a CIA programmer, who may in actuality work with a much more complex system and set of problems, should be comparably graded. We find many examples where PMCD used comparisons which we judge to be invalid, e.g., we do not think a [   ]   25X1
should be compared with a DDO Case Officer to establish grade equity. We also find examples where PMCD has recommended that a position be abolished in order to improve the professional to clerical ratio with no argumentation provided as to whether

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or not the workload justifies the position. We find many examples where PMCD has recommended that a position be downgraded because the incumbent wasn't performing at the position grade level. It seems to us that the requirement for the position should be PMCD's primary concern rather than the current incumbent's performance.

10. We feel there is some confusion in PMCD as to its appropriate role, i.e., whether to ensure job/pay equity or to control the rise in average grade and the like. As mentioned above, these are somewhat conflicting goals. Regulations require that average grade and senior slots be held constant within Directorates as a whole. PMCD apparently attempts to enforce such restraints within each component, sometimes to the detrement of job/pay equity. Recommendations contained in its survey reports frequently result in an overall reduction in average grade, senior slots and supergrade positions. We believe that, at least at the component level, PMCD should only be concerned with job/pay equity, i.e., in reviewing positions, it should call it as it sees it; controlling average grade is a higher management concern.

11. The intent of the above discussion is not to lay the groundwork for a recommendation that we abolish our system of position management and compensation or that we do things in a radically different manner. Since we are a government agency,

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our options are limited. The intent is to indicate the culture in which such a system must operate and some of the problems it faces.

12. CIA was exempted from the Classification Act of 1949, but in that year Director Hillenkoetter informed the Civil Service Commission that in our internal personnel policies we would follow the basic philosophy and principles of the Act. In October 1962 the Acting Director reaffirmed the Hillenkoetter policy in a memorandum. This policy is set forth in various Agency regulations and PMCD is our primary internal control for ensuring that we adhere to the classification principles of the Classification Act. Under its legal exemption, CIA could seek Executive approval to establish its own system of grade structure and wage scales but any system we developed would probably not be approved if it departed dramatically from government-wide pay and classification legislation and policy. There is no prospect at present that a change in system will be sought, and in any case any system utilized by CIA would require management and control to ensure job/pay equity, to respond to concerns over the size of the Federal payroll, and to implement executive policies stemming from those concerns. Therefore, the PMCD function must continue.

13. In the balance of this Tab, the discussion is sub-divided into the major issues we believe impact on PMCD and

its functions. Conclusions and Recommendations designed to improve the performance of PMCD, make it more responsive to component requests for position changes and, hopefully, to create a better working relationship between PMCD and Agency components are provided on pages G-26 through G-31.

14. It is important to note, before embarking on the individual topics, that, prior to the initiation of this OIG survey, [   ] a retired employee, was given a contract to conduct a study of PMCD and to make recommendations designed to improve position management and classification in CIA. The Inspection Team found [   ] study of considerable value in its own deliberations.

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PMCD Staffing

15. The position classification profession requires talented individuals. They must have representational qualities, the ability to brief well and deal with people at all levels, good analytical skills and several years training to learn the basics of the profession. We have been told that PMCD was formerly staffed with individuals not having these skills. PMCD management believes the Division is currently staffed with high-quality individuals. Customer comments suggest this may not be universally true, but we were impressed with the enthusiasm and competence of the PMCD personnel we contacted.

16. Despite the general criticism of PMCD, several Agency managers praised the competence of a few PMCD analysts.

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We suspected that these analysts might simply have been
unusually lenient, but that was not the case. The well-
regarded analysts are experienced in position classification
and have dealt frequently over a number of years with the organi-
zations that praised them. As a result they understand those
organizations and are responsive to their needs. We have
concluded that effective rapport between PMCD and Agency
components can be established when a competent PMCD analyst is
assigned to an account over an extended period (up to five
years). The PMCD analyst learns the structure and problems
of the component and the component gains confidence in and
respect for the PMCD analyst.

17.   At one time, PMCD was viewed as a cradle-to-grave
assignment. Its current policy is to maintain a two-thirds
permanent cadre staff of experienced professionals and to fill
the remainder of its [   ] positions with three-year rotational
assignments. The PMCD staff is small in relation to its
responsibilities. There are only [   ] full-time classifiers
and about [   ] professionals engaged in developing better job
standards. Since it takes several years to train a new
analyst, we believe the proportion who are permanent staff
should be kept at a high level to maintain the professionalism
of PMCD. We suggest that the permanent staff be given
periodic personnel officer rotational assignments to other
Agency components (perhaps two or three during a career) to

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obtain a different perspective and to gain more experience
with the problems of other components. This could be coupled
with the rotation of other personnel into PMCD either from
the Office of Personnel or elsewhere. We understand that the
Office of Personnel has made a proposal to obtain personnel
from other components and Directorates for rotational assign-
ment to PMCD. The rotation of PMCD personnel to the Directorates
and Directorate personnel to PMCD would further mutual under-
standing and facilitate PMCD working relationships with
components, if the assignees' tours are long enough to develop
and employ adequate position classification skills.

Centralization Versus Decentralization

18. Some managers argue for decentralized position
management and classification. They suggest that professional
job classifiers be assigned to Directorates, or even to large
components, and that job classification be done wholly within
such units. They feel that existing constraints on numbers of
positions, senior slots and average grade are adequate to
prevent empire building and that, within these constraints,
they are best able to decide how to organize their components
and assign grade values to positions.

19. Such a decentralized system is in effect at the
Energy Research and Development Administration (ERDA) and it
reportedly works effectively. However, ERDA uses a standardized

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system for evaluating its relatively homogeneous positions and
managers have been trained in and are involved in the appli-
cation of this system, thus ensuring a certain amount of
job/pay equity within ERDA. From this and other examples,
it appears that a decentralized system can work satisfactorily
in some organizations if systematic position standards have
been developed and managers understand those standards and
are willing to devote time to their application. Those
conditions do not exist in CIA. Position classification is
not well understood by CIA managers and over the years we
have used a number of different criteria, understood only by
PMCD, for evaluating positions.

20.   The Civil Service Commission is developing a
position classification methodology called the Factor Ranking/
Benchmark System and has decreed that all agencies under its
cognizance will adopt it by 1980. The system is based on
data compiled from the experiences and systems of industry,
labor, foreign countries, etc. Those who are familiar with
the system are enthusiastic over its potential and cite as
its advantages that it is easy to understand, it is a more
accurate way to grade positions than systems used heretofore
and it requires Operating Component participation, thus
leading to agreement and understanding on how positions are
classified. PMCD has established a separate branch to develop
this system for Agency use.

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21.   The Inspection Team was impressed with the potential
of this system and urges the early development and use of an
Agency version to improve both position classification and
communication on that subject between PMCD and components.
When the system has been fully implemented and understood,
at least one barrier to decentralized position classification
in CIA might be removed. Even under those circumstances,
however, we doubt that decentralization, in the sense of
assigning position classifiers to Directorates, would be
desirable in this Agency.

22.   Although most authority in CIA is delegated to the
Deputy Directors who supervise the four semi-autonomous
Directorates, the Agency must operate as a single organization
in its relations with the rest of government, including
its conformance with manning and staffing rules and restric-
tions. These require that job/pay equity be maintained and
monitored throughout the Agency, not just within Directorates.
That monitoring is performed by the Director of Personnel.
We believe his central control of Agency position classification
experts is essential to the provision of uniform classifica-
tion standards and to monitoring the application of those
standards within the several Directorates. We question,
however, whether the Director of Personnel needs to retain
authentication control of official staffing complements.
That subject is discussed in the next section.

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Authority and Appeals

23. In practice, managers are not now unduly restricted by PMCD's recommendations or by its influence on their staffing complements. Undesired recommendations arising from PMCD periodic position surveys are frequently negotiated away or ignored. No effective system of enforcement or appeal has been formalized to deal with outstanding differences, and various mechanisms, necessary for other reasons, provide means of evading many of the restrictions in an unsatisfactory Table of Organization. For example, the Office of Finance uses Personal Rank Assignments as a means of providing GS-12 Certifying Officers to overseas posts because PMCD will only authenticate a lower grade. PMCD recommendations have some- what more force when a component initiates a reorganization or tries to upgrade positions. Even in these cases, however, PMCD has on occasion been overruled by the Director of Personnel or the DDA. In practice, if a controversy attracts the attention and support of a Deputy Director, his decision usually governs the actual outcome, although not necessarily the official staffing complement. For example, PMCD recommended that the Personnel Management Group/DDO staffing complement be limited to eleven supergrade positions. Eighteen are now and will be assigned there—the number authorized by the DDO. The extra positions are simply flagged on the staffing completment as awaiting approval.

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24.   It has been argued that PMCD, as a component of
the Office of Personnel, is buried in the Agency management
hierarchy and does not have enough clout to operate effec-
tively and to enforce its decisions (assuming it has come to
rational decisions which should be enforced). It has been
suggested that the functions be attached to the Office of the
Comptroller. We do not think the placement of the function is
a significant factor in improving its accomplishment. If the
function were performed competently and with a greater degree
of management understanding, if PMCD's authority were under-
stood and spelled out in Agency regulations, and if its ·
decisions could be appealed and reviewed by higher authority,
then we believe it could function effectively where it is.
The more basic question is, what role and authority should
PMCD have?

25.   We have reviewed and discussed several recent PMCD
surveys with the surveyed components. These components
generally felt that PMCD was on target regarding its recommen-
dations on clerical positions. They expressed strong
disagreement with PMCD judgments on a number of other positions,
particularly upper level positions. The PMCD analysts who
conducted the surveys were judged to be dedicated, competent
individuals but it was felt that they did not obtain the
understanding necessary to make valid judgements regarding

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the significance and the uniqueness of the professional
positions being analyzed, nor did they use realistic com-
parison data. We do not think this is simply management
dissatisfaction because it did not get its way. As discussed
earlier, we also question the infallibility of PMCD's judgment.
This is not intended as criticism of PMCD or its personnel.
They are not and cannot be specialists in all the organiza-
tions or position fields they are analyzing; therefore, they
will make errors in judgment and their decisions should be
subject to review and, if necessary, reversal.

26.   Many believe that no effective and impartial appeal
route exists. The Director of Personnel is uniquely empowered
to authenticate and issue staffing complements and is therefore
the official appeal route. PMCD reports and recommendations
are furnished to components over his signature, however, and
the route back lacks at least the appearance of impartiality.
Questions could and would be raised about his qualifications
to resolve a dispute in detail about a specialized position
deep within another Directorate, and such disputes are frequent

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-- [   ] component managers interviewed on this subject
had complaints. Moreover, his real means of enforcing other
than very important PMCD recommendations is open to question.
His authority to authenticate staffing complements is clear.
Deputy Directors, however, must determine the allocation of

staff manpower ceilings among their components and may, within some limits, make shifts in manpower within their Directorate without seeking outside approval. In arguments with other Deputy Directors, the DDA can, and sometimes does, lend invaluable support to the Director of Personnel. Unresolved questions can be and sometimes are taken to the Management Committee and the DCI for resolution. The number of disputes far exceeds the capacity of this channel, however, and most, therefore, are either settled through negotiations--usually in management's favor--or left unresolved.

27.   The main problem with the Director of Personnel/DDA: appeal route lies in the number and complexities of the disputes. Effective and equitable resolution of them all would require amounts of job knowledge, position classification knowledge and study time that are simply not available to those with the high level of authority and respect needed to impose an undesired solution on a Deputy Director. Creation of an appeal authority outside the four Directorates--e.g., the Comptroller or, God forbid, the Inspector General--would face the same set of problems.

28.   Efforts are being made, as they have been for years, to reduce the number of differences by improving the quality of PMCD's judgments, improving managers confidence in those judgments and, through negotiations at various levels, to reduce unresolved differences to those few critical cases perhaps

worthy of Management Committee action. The last, and most effective process, doesn't enhance management confidence in PMCD advice or in the value of the whole exercise, however. One very senior manager said that the subjectivity of the PMCD process is driven home when you reach the negotiating point; "I'll give you two GS-07's for one GS-12." Many other managers have illustrated their doubts about the worth and effectiveness of the whole process by indicating that after months of effort they are able to obtain through negotiation almost everything they wanted. We applaud the efforts to improve the quality, and thereby the acceptability of PMCD judgments. We find little new in these efforts, however, and little in the outcome of similar efforts in the past to justify an expectation that achievable improvements, however desirable, will solve the problems by itself.

29.   We conclude that there are only two solutions available. The present system, lacking real enforcement authority, can be continued and probably be improved by better, semi-rotational PMCD staffing and development and implementation of better, more understandable classification standards--i.e., the Factor/Benchmark system. We believe these steps would help, but that most of the fundamental problems would remain. The other choice is--in addition to these steps--to make the Deputy Directors the appeal and decision authority, while preserving the Director of Personnel's capability and responsibility for monitoring their actions.

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30.   Whether transfer of staffing complement authenticating authority to the Deputy Directors would degrade, improve or leave unchanged the Agency's performance in job/pay equity and adherence to average grade and other manning restrictions is bound to be a controversial question. Some would regard it as setting the fox to guard the chickens. Others would contend that this, in many cases, describes the present system, and, if coupled with active and adequate monitoring by the Director of Personnel, degradation in performance is by no means an inevitable result. The more optimistic would even contend that providing control of staffing complements to those now responsible for holding average grade, senior slots and supergrades within their allocations would remove any ambiguities that may now exist as to where that responsibility lies; would provide them unambiguous decision authority over a tool important in carrying out these responsibilities, and would improve the relationship between staffing complements and reality by insuring that disputes are decided. PMCD influence on component managers during negotiated settlements might even be increased by the knowledge that un-resolved disagreements will be decided at a higher level. Moreover, the fact that the decision will be made by his own superior might make the manager a little less defensive and a little less inclined to employ "snow" tactics.

31.   No proof can be offered that the outcome of the shift in authority described above will be good, bad or indifferent.

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We are pursuaded, however, that the risks of serious degradation
are not great--and return to the present system would be possible
if we are proven wrong. The shift could be an improvement,
perhaps an important one, over the present system. We believe
other possible changes in the system, such as total decentraliza-
tion or creation of a supra Directorate appeal authority to be
undesirable, impracticable, or both. We therefore conclude that
the transfer of authority should be made. The details of our
proposals are provided in the Conclusions, starting on page G-26
of this Tab.

Periodic Position Surveys

25X1

32.   Headquarters Regulation [____] provides for periodic
position surveys to update position information, and to make
necessary adjustments in the grade of individual positions and
the position structure as a whole. Headquarters Notice [_____]   25X1
7 January 1972, established the Position Survey Program with the
aim of scheduling and conducting position and manpower utilization
surveys in all components with the objective of achieving complete
coverage of the Agency each three years. PMCD is charged with
conducting the Position Survey Program. In conducting surveys,
PMCD is concerned with position management (organizational
structure, alignment of functions, number of positions at
different skill levels, occupational levels required to carry out
missions, ratio of professionals to clericals, number of supervisors
to work force, etc.) as well as position classification.

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33.   PMCD attaches high importance--and priority--to its periodic survey program. The program provides needed opportunities to study Agency positions in order to improve position classification standards. It generates reviews of positions that may have changed in character, if not in title or grade, since they were last classified. And it provides opportunities to review and make recommendations about the organizational structure of Agency components, some of which PMCD believes badly need such review.

34.   Most component managers are extremely critical of the PMCD periodic survey program, however. Many comments deal with subjects discussed earlier--managers reservation about the comparisons used by PMCD to classify positions and about PMCD's ability to understand the unique character of some component positions--the time spent in negotiating differences in how a few positions should be classified--and the fact that unresolved differences are apt to stay unresolved. These comments apply broadly to most PMCD surveys, whether conducted at the components request to authenticate a reorganization or one of the PMCD-initiated periodic surveys. A number of comments apply more specifically to the latter, however.

35.   One often-mentioned problem is that PMCD's manning and priority system does not permit an early response to a request for a reorganization-generated survey, or rapid accomplishment of the survey after it starts. PMCD's efforts to meet a three-year cycle of periodic surveys lead to tight scheduling of its limited

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manpower. There is little slack in this schedule and long delays
--many months and sometimes a year or two--occur between a
component's expression of need for a survey and its commencement.
Sometimes this forces components to operate for protracted periods
with an outmoded official Table of Organization. In one case we
found that a component had deferred a needed reorganization for a
year while awaiting a scheduled PMCD periodic survey. Another
has long deferred many conversions of contract employees to staff
employee status because PMCD is too tightly scheduled to help.
Yet the periodic surveys go on. One organization that recently
finished such an unsolicited survey pointed out that it occurred in
the middle of changing missions and methods of operation, the
impacts of which could not be assessed at that time.

36. The PMCD advice received during periodic surveys on
organizational structure is of often-questioned value. We attempted,
unsuccessfully, to check this by evaluating changes recommended in
recent PMCD survey reports. We found that PMCD survey reports
include, ususally without clear distinction, both their own
recommendations and others originated earlier by the component.
Thus, the acceptance by managers of recommendations for organiza-
tion changes made in survey reports is not a good measure of the
contribution made by PMCD. Most managers interviewed felt that
few of the PMCD-originated organization recommendations were
useful. Since they are not obliged to follow these recommendations,

they found them more annoying and time-consuming than harmful, however.

37.   Many managers questioned the qualifications of PMCD job classifiers to provide detailed recommendations on how a component should organize to carry out its mission. Such PMCD personnel are relatively junior in grade (typically GS-12 or 13), lack Operating Component and senior management experience, and have relatively little exposure to the component's particular problems. Moreover, managers point out that their organization is subject to command review in their Directorate, to program audits by the Audit Staff, and to OIG surveys.

38.   We concur with many of the managers views expressed above. We have noted the following consequences of the present periodic survey program.

     a.   Unresolved differences with PMCD periodic survey findings are sometimes never formally settled after the procedural steps of receiving and commenting upon the survey report. Most of the controversial findings do not result in binding T/O changes or in immediate organizational changes, although PMCD personnel believe many of their rejected recommendations appear later in management-suggested reorganizations. The manager, if supported by the Deputy Director concerned, really determines his organization structure. Therefore we believe the expenditure of 3-6 months of component

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and PMCD efforts at three year intervals for periodic position surveys to be excessive when compared with the specific end results achieved.

b. Competing periodic survey schedules delay the accomplishment of surveys needed to authenticate reorganizations. These delays--and sometimes unresolved differences arising from the periodic surveys themselves--lead components to operate for protracted periods on unofficial T/O's that differ from their official staffing complement. This leads to unnecessary use of misslotting, Personal Rank Assignments and other devices potentially subject to CSC and OMB criticism, misunderstanding, and, perhaps, imposed cuts. Moreover, centrally generated position control information in these cases is inconsistent with the real world . This can mislead senior management and obscure the development of manning problems. It also requires component maintenance of multiple bookkeeping systems for middle management use. In addition, inconsistencies between de facto and official T/O's make middle-level managers uncertain about their slot grades and headroom and generate problems in assignment planning, personnel advancements and morale.

39. We recognize PMCD's need to review a variety of positions in order to maintain and improve its classification standards. We believe such data can be acquired without a full organizational

review, however. We recognize that over a period of time the
duties of a position can change and that it is useful to management
to have PMCD periodically review positions to validate their
classification. We believe that static organizations should be
subject to such reviews--but at intervals considerably longer
than three years. These reviews should not, however, be accorded
priority over the more immediate classification needs of rapidly
changing organizations. Lastly, we believe PMCD should restrict
its organizational recommendations to those cases where the
organization structure has a dominating impact upon the classifi-
cation of the positions involved.

Conclusions

   Conclusion G-1. Authority should be delegated to Deputy
Directors to modify and authenticate staffing complements (T/O's)
within the limits of Directorate allocations of staff manpower
ceilings, senior slots (GS-14 and higher) and average grade.
This authority should be qualified by a requirement that recommen-
dations by PMCD representatives regarding changes in the grades
of existing positions or the assignment of grades to new or
significantly altered positions be considered by component managers
and, if unresolved, by the Deputy Director before such changes
are effected.

   a. To accomplish the second part of this it is essential
that PMCD be involved before a significant reorganization is

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effected. Provisions should also be included for PMCD, when deemed necessary by the Director of Personnel, to review and reassess the grades of new or significantly altered positions after six months or so of experience with the new organization. In some cases the Director of Personnel may decide that a survey of all positions in the new organization is needed. PMCD recommendations arising from such position reviews or reorganization surveys (or from periodic and special surveys discussed in Conclusion G-5 below) should be considered by the component manager and, if unresolved, by the Deputy Director within a specified, short time interval after the recommendations are made.

b. Since supergrade positions are directly controlled by the DCI, and since a new system for handling supergrade problems is being considered by the Management Committee, they have not been specifically included in this conclusion. Consideration should be given, if this proposal is adopted, to similar modification of the way supergrade positions are handled, however.

Conclusion G-2. The Director of Personnel, acting for the DCI, should be required to monitor Directorate and DCI Area adherence to equal pay for equal work (job/pay equity) principles and to allocated manning, average grade and senior slot limits, and to recommend appropriate DCI action in cases where he cannot resolve differences with the Deputy Director concerned.

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Conclusion G-3. In the area of position grade evaluations, PMCD should:

a. Develop and maintain standards for position evaluation use.

b. Participate in and advise on all position evaluations.

c. Insure that unresolved differences with component managers over position evaluations are brought to the responsible Deputy Director for decision.

d. Inform the Director of Personnel in cases when, in the opinion of PMCD, decisions made by Deputy Directors conflict significantly with equal pay for equal work principles or established pay policies--e.g. pay scales for senior secretaries.

Conclusion G-4. With regard to staffing complements, PMCD, in collaboration with other Office of Personnel components, should:

a. Establish staffing complement formats.

b. Compile, produce and disseminate staffing complements authenticated by the Deputy Directors and produce and disseminate related management information reports.

c. Report to the Deputy Director concerned and to the Director of Personnel any non-trivial continuing instances when the totals of a Directorate's staffing complements exceed that Directorates's allocations of manning, senior slots or average grade.

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Conclusion G-5. PMCD's responsibility for conducting periodic
position surveys should be modified. In this area:

    a. PMCD should conduct periodic position surveys in
components that have received little attention in conjunc-
tion with reorganizations for a period of about five years.

    b. The Director of Personnel should initiate special
PMCD position surveys in other cases where he has reason to
believe that position classifications need revision.

    c. Neither periodic nor special position surveys
should be allowed to interfere with prompt and rapid service
of reorganization or other more immediate needs for PMCD
assistance.

    d. During all surveys, PMCD should restrict its
recommendations regarding the organization and management of
component personnel to cases where organization or manage-
ment is the dominant consideration in evaluating position
grades.

    e. PMCD should be permitted on its own initiative to
audit positions in any component in order to obtain data
needed to establish, maintain or improve position evaluation
standards.

Conclusion G-6. PMCD should accelerate the development and
trial implementation of improved position evaluation standards
and methods similar to the Factor/Benchmark system now being

developed by CSC for government-wide implementation by 1980. Full CSC development of its system should not be a prerequisite to development and trial implementation of an Agency version.

Conclusion G-7. The Director of Personnel should review and alter the organization of and manpower authorized for PMCD as necessary to meet its revised mission.

a. It is important to note that PMCD manning must permit prompt and rapid service of component needs.

b. A program of rotating Office of Personnel people with experience as component support officers through 3-5 year PMCD tours, and of rotating PMCD professionals through component support officer tours, would provide a valuable experience base.

c. Rotating personnel from other Agency components through PMCD tours would contribute more specific component knowledge and would be useful if the tours can be long enough for the rotating personnel to develop and use job classification expertise.

Recommendations

Recommendation No. 7. That the DCI delegate to the Deputy Directors authority to authenticate staffing complements, requiring them to consider PMCD recommendations on position grades before effecting changes and to exercise this authority within their allocations of staff manpower ceilings, senior slots and average grade.

Recommendation No. 8. That the Director of Personnel monitor Directorate and DCI Area adherence to their allocations and to job/pay equity and recommend appropriate DCI action in cases where he cannot resolve differences with the Deputy Director concerned.

Recommendation No. 9. That the Director of Personnel revise PMCD procedures, position surveys, scheduling, and manpower as indicated in Conclusions G-3 through G-7 above.

TAB

CUSTOMER PERCEPTIONS OF

AGENCY PERSONNEL POLICY DEVELOPMENT

1.   There is a widespread perception among Agency managers
that the Office of Personnel, although a very responsive and
generally effective service organization, lacks initiative and
innovation in developing solutions to long-standing Agency
personnel problems. Some managers even feel that the Office
plays an actively negative role and usually opposes solutions
proposed by others. The more important of these long-standing
problems were selected as issues for examination in this survey
and are discussed in other Tabs of this report. It soon became
evident, however, that the existence of this perception is a
serious problem in itself.

2.   The perception is neither without some validity nor is
it wholly accurate. Initiatives in personnel management are often
taken in CIA by people other than the Director of Personnel.
An outstanding example are those inspired by the then DCI that
led, through recommendations of a Personnel Advisory Study Group
(PASG) report, to an effort still underway called "New Approaches
to Personnel Management." Office of Personnel contributions to
these efforts were and continue to be positive and major, how-
ever. That the Office was not the initial, apparent sparkplug
of the effort is in many cases a product of the decentralized

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Agency personnel management system and of the Office's role in that system. That role, for more than twenty years, has been primarily one of service and support--activities for which the Office generally received high marks from component managers.

3. The Office also has various "approval" functions which usually amount to review of decisions made elsewhere to insure their consistency with general Agency policy guidelines and with current or threatened restrictions imposed by outside authorities-- law, Congress, OMB, CSC and the like. This function undoubtedly accounts for much of the perception that the Office is negative about personnel initiatives developed elsewhere. It certainly accounts for the attitude about the most-cited recent example-- the negative response to efforts supported by many to raise the grades of many senior secretaries. Our investigation of that issue, reported in Tab F, led us to support what others view as the Office's "negative" position.

4. The Director of Personnel is also assigned responsibility for conducting research, for making statistical and analytical studies pertinent to Agency personnel management and for developing and recommending policies, standards and procedures for personnel management in the Agency. In the light of managers "no innovation" complaints, we investigated each aspect of this assignment.

5. Our findings on "statistical and analytical studies" (i.e. management information) are discussed in Tab A. Current achievements cannot be regarded as impressive, but lack of inno-

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vation is not a primary cause for the limited progress. The
real culprit has been the excessively long delay in implementing
computer approaches conceived many years ago--thirteen to be
exact.

6.   Turning to research, we found a small but significant
research effort underway in the Plans Staff of the Office of
Personnel. This Staff consists of a [   ]   STAT
analysts. It has already played a useful role in helping the
Career Services meet the challenges posed by the introduction of
the DCI's innovations in personnel management. This assistance
has included written guidance, surveys of personnel practices in
the Directorates as requested, reviews of personnel handbooks,
and preparation of status reports and analyses for the Management
Committee and the DCI. These efforts cannot be judged as out-
standingly successful--given the continued lack of Agency-wide
appreciation for what the "New Approaches to Personnel Management"
is intended to do. But, still, the Staff must be given credit for
playing a useful role during a difficult transitional period in
its publicizing of new programs and, more particularly, in
backstopping them with useful research.

7.   The Staff is presently engaged in research which should
have excellent payoff for the Agency personnel system in the
future. Together with the Staff Personnel Division, the Staff
is playing a prominent role in the newly-created Careers Committee,
established in response to several of the policy recommendations

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made by PASG. There is excitement in the air concerning the
hoped-for accomplishments of the Careers Committee, and we found
this to be a very good sign indeed. The Committee, made up of
personnel representatives from each of the Career Services and
with executive management from the Office of Personnel, will meet
periodically to share ideas and to assign study projects. The
first such are directed at realizing the PASG objective of more
inter-Directorate transfers as well as providing better job
counselling and career guidance. Developmental profiles are to
be drafted by each major component of the Agency to give career
counselors a better idea of the type of employees (characteristics
and qualifications) needed in each respective unit. This is to
be followed by a publicity program to identify for the rest of the
Agency those persons in each component who can provide counselling
assistance.

8.   Another major project, tentatively planned for initiation
in the next month or two, is the Agency attitudinal survey. This
survey will be administered centrally, closely monitored by the
Plans Staff and OMS and will provide an Agency-wide base from
which to develop future perceptions of how well such management
vehicles as promotion policies and career counselling and person-
nel handbooks are meeting the needs of employees. Chief, Plans
Staff correctly points out that the first edition of the survey
will not be very significant for research purposes, but will pro-

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vide initial benchmarks from which future progress or problems can be charted and identified.

9.   Other projects are underway in the Plans Staff to meet specific long-range needs. These include economic-type modelling exercises to find out the impact of major shifts in current practices--for example, what would happen if the Agency simply declared a moratorium on employment of new professional personnel? An even more complex research effort, which should yield some useful conclusions, studies the 1973-75 shifts of employees from one component of the Agency to another. Here, the purpose is to identify those occupations which seem to provide seed source for others; those occupations which provide a bridge between one type of work and another; and those occupations which seem to offer little in training or experience that can lead to successful movement to jobs of greater responsibilities. The fitness report problem--one that seems to nag virtually everyone of our senior managers--is being analyzed by the Staff, in conjunction with statistical work being carried out by the Staff Personnel Division. Chief, Plans Staff has undertaken a systematic review of government-wide literature on the subject and has begun a study of how private industry evaluates its employees. He is not at all certain whether senior management of the Agency desires change, but he correctly considers it the function of his Staff to be prepared to offer advice when needed.

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10.   It seems clear that the Office of Personnel's research and development program is ambitious, important and innovative. That leaves unanswered only the question of the Director of Personnel's responsibility for recommending policies, standards and procedures for personnel management in the Agency. We searched Management Committee action papers for the last year or so for examples of his recommendations--as different from his responses to recommendations initiated by others. Those we found appeared, for the most part, to fall into the response or directed study categories. The reason soon became evident. The DCI himself, some two years ago, took personal command of personnel policy development. The able and extensive support and the many contributions by the Office of Personnel were effectively masked. This seemed too obvious and recent to explain the depth and breadth of the "no innovation" perception, so we turned next to a review of earlier events, specifically the histories of personnel management development in the Agency.

11.   These histories proved to be invaluable source documents, some eminently readable. One in particular, entitled, "How We Got Where We Are;...," which digests a period ending in 1968 but from a current prospective--it was published in January 1975--should be required reading for all component managers. This is not a frivolous suggestion inserted for rhetorical purposes. We believe that an understanding of how and why the Agency personnel management system developed as it did,

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and a resulting comprehension of how it operates today, would
have stilled many, perhaps most of the "no innovation" comments.
And, there are much more important things to be learned from this
history than simply a better appreciation of the problems
faced by our friendly Office of Personnel.

12.   Development and implementation of innovations in
Personnel management within CIA has been and must be a joint
effort of management at many levels and the experts from the
Office of Personnel. This approach is required by the complexities,
variabilities, and unique aspects of the many-sided intelligence
profession. It is also a product of the Agency's organization
into semi-autonomous Directorates with the Office of Personnel,
like other support functions, operating from within one of
these Directorates under an injunction to be the handmaid of
operations. The history includes early examples of attempts by
the Office to step outside of this role--and the adverse
consequences of these efforts. It is therefore laudable, not
blameworthy, that the Office works through and with others in
its innovative efforts to improve CIA personnel administration.

13.   Another important point emerging from the history is
the length of time typically required for Agency-wide adoption
of an adaption to important personnel policy developments. Six
years appears to be a typical, perhaps even minimum time. As
noted in Tab A, Mr. Colby, as a strong and powerful proponent

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of the new approaches effort, estimated a lead time of five years before the program would be fully accepted and implemented.

14.   We believe that lead times such as these can and must be shortened. We share the view of component managers that our personnel management could and probably should become more innovative--but we place responsibility more on them than on the Office of Personnel for such shortcomings as exist. We find their misconceptions about the role and activities of the Office of Personnel to be strong evidence that they do not understand, and are therefore neglecting, their own responsibilities in the joint efforts required.

15.   The problem is primarily one of communication, compounded by the difficulty of attracting the attention of managers, busy with problems needing answers today, to equally important but more abstract issues. This communication problem involves many more subjects than that discussed in this Tab. Most of the preceding Tabs highlight communication deficiencies as significant, sometimes predominant causes. We do not believe that adequate answers can be found through the production of more brochures by the Office of Personnel, or occasional references in the morning meetings. A means is needed that focuses, at least for a time, the attention of the Agency's competent middle managers on these important subjects.

16.   We propose that this be accomplished through a compulsory, short, one-week training course for Washington-area Office-

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level managers and their deputies. The course could be presented fairly frequently, over perhaps a year, to speed the communication flow and permit attendance by all without unduly disrupting other activities. Thereafter the course could be given less frequently to include appropriate overseas returnees and new managers. The course content should be developed by the Office of Personnel, working with the Office of Training, which would actually present it. The course should include the history and character of personnel administration in CIA, and specific discussion of at least the issues discussed elsewhere in this survey report where a part of the problem is a significant communications gap.

Recommendation No. 10. That the Director of Personnel, in collaboration with the Director of Training, develop a one-week training course for Office-level managers and their deputies on CIA Personnel Administration and Management and that the Director of Personnel join with the Inspector General in recommending to the Management Committee that all Washington-area Office-level managers and their deputies be required to attend a running of this course within a year of its initiation.

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